#### **Haines Borough** Borough Assembly Meeting #238 **AGENDA**

#### January 8, 2013 - 6:30 p.m.

Location: Assembly Chambers, Public Safety Bldg.

## Stephanie Scott,

Mayor

#### Dave Berry Jr.,

Seat A Assembly Member

#### Steve Vick,

Seat B

Assembly Member

#### Debra Schnabel,

Seat C

Assembly Member

#### Joanne Waterman,

Seat D

Assembly Member

#### Norman Smith,

Seat E

Assembly Member

#### Jerry Lapp,

Seat F

Assembly Member

#### CALL TO ORDER/PLEDGE TO THE FLAG

#### 2. **ROLL CALL**

#### **APPROVAL OF AGENDA & CONSENT AGENDA** 3.

[The following Consent Agenda items are indicated by an asterisk (\*) and will be enacted by the motion to approve the agenda. There will be no separate discussion of these items unless an assembly member or other person so requests, in which event the asterisk will be removed and that item will be considered by the assembly on the regular agenda.]

#### Consent Agenda:

- 4 Approve 12/11/12 Assembly Meeting Minutes
- 8B Accept Library Report
- 8C Accept Fire Dept Report
- 8D Accept Museum Report
- 8E Accept Tourism Dept Report
- 9A Accept TAB Minutes
- 9B Accept Library Board Minutes
- 9C Accept Planning Commission Minutes
- 9D Accept Museum Board Minutes
- 9E Accept FSA #1 Board Minutes
- 11A1 Adopt Resolution 13-01-429
- 11A2 Adopt Resolution 13-01-430
- 11A3 Adopt Resolution 13-01-431
- 11A4 Adopt Resolution 13-01-432
- 11B1 Introduce Ordinance 13-01-311 11C1 - Confirm Board Appointments
- 11C2 Refer Golder Report to Committee
- 11C5 Accept Port Study Report
- 11C6 Non-objection to American Legion Liquor License Renewal

#### Mark Earnest, Borough Manager

Julie Cozzi. Borough Clerk

#### Michelle Webb, Deputy Clerk

**\***4. APPROVAL OF MINUTES - December 11, 2012 Regular Meeting

5. **PUBLIC COMMENTS** [Any topics not scheduled for public hearing]

#### 6. MAYOR'S COMMENTS/REPORT - January 8, 2013 Report

A. Special Meeting to prepare questions for the January 22 meeting of the House **Transportation Committee?** 

#### **PUBLIC HEARINGS** 7.

A. Ordinance 12-11-310 - Second Hearing

An Ordinance of the Haines Borough Assembly providing for the addition or amendment of specific line items to the FY13 budget.

The manager recommends this. The Finance Committee met to review the ordinance, and they recommend it, as well. Motion: Adopt Ordinance 12-11-310.

#### 8. STAFF/FACILITY REPORTS

- A. Borough Manager January 8, 2013 Report
- \*B. Library November 2012 Report
- \*C. Fire Dept November 2012 Report
- \* D. Museum November 2012 Report
- **\*E.** Tourism Dept Response to Inquiry re. Vacation Planner Recycling

#### COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

- \* A. Tourism Advisory Board Minutes of 11/14/12 Meetina
- **★ B.** Library Board of Trustees Minutes of 11/14/12 Meeting
- \* C. Planning Commission Minutes of 11/8/12 Meeting
- \* D. Museum Board of Trustees Minutes of 11/13/12 Meeting \* E. Fire Service Area #1 Board – Minutes of 11/30 and 12/18/12 Meetings
  - F. Assembly Standing Committee Reports

#### 10. UNFINISHED BUSINESS

#### A. Ordinance 12-07-299

An Ordinance of the Haines Borough Assembly approving the sale to the State of Alaska, Department of Transportation and Public Facilities ("ADOT&PF") of Parcel 3, Parcel E-4 and Parcel TCE-4 as described and identified by ADOT&PF for the Haines Ferry Terminal Improvements project (state project #68433).

This is recommended by the borough manager and the planning commission and was introduced on 7/24 and had a first public hearing on 7/31 and a second hearing on 8/28. At that time, the negotiations were still ongoing, so the assembly postponed adoption. The negotiations are now complete, and the only change is the amount increased from \$302,000 to \$338,400. Motion: Adopt Ordinance 12-07-299.

#### 11. NEW BUSINESS

#### A. Resolutions

#### \*1. Adopt Resolution 13-01-429

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to execute a contract change order with Southeast Road Builders, Inc. for the Haines Street Improvements Phase II construction project for an amount not to exceed \$43,606.45.

This resolution is recommended by the borough manager. Motion: Adopt Resolution 13-01-429.

#### **\*** 2. Adopt Resolution 13-01-430

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with All Wire Electric in the amount of \$13,800 for the purchase and installation of lights at the Haines wastewater treatment plant.

This resolution is recommended by the borough manager. Motion: Adopt Resolution 13-01-430.

#### **\***3. Adopt Resolution 13-01-431

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to purchase security cameras from Action Security, Inc. for \$18,075 as part of a grant for installation of chain link security fencing, gates and cameras at the Lutak Dock and cameras at the Port Chilkoot Dock.

This resolution is recommended by the borough manager. Motion: Adopt Resolution 13-01-431.

#### **\***4. Adopt Resolution 13-01-432

A Resolution of the Haines Borough Assembly Supporting Restoration of U.S. Department of Transportation funding for reconstruction of the Haines Road and Alaska Highway, otherwise known as the Northwest Highway System or Shakwak Program.

This resolution is recommended by the borough manager. Motion: Adopt Resolution 13-01-432.

#### B. Ordinances for Introduction

#### **\*1.** Ordinance 13-01-311

An Ordinance of the Haines Borough Assembly amending Borough Code Title 2, Section 2.105.020 to add an ex officio seat to the Parks and Recreation Advisory Committee to be filled by an Alaska Department of Natural Resources Employee.

The parks and recreation advisory committee (PRAC) met with the government affairs & services (GAS) committee on 12/18 to discuss PRAC's request to add an ex officio seat to the committee to be filled by an AK-DNR employee. The GAS recommends assembly consideration of this code change. Motion: Introduce Ordinance 13-01-311 and set a first public hearing for 1/22/13.

#### C. Other New Business

#### **\*1.** Board Appointments and Committee Assignments

(Re)appointment requests have been received for seats on the Museum Board, Riverview Drive RMSA Board, and the Chilkat Center Advisory Board, and the boards recommend the reappointments. The mayor plans to follow the recommendation and seeks assembly confirmation. Motion: Confirm the mayor's reappointments of Dave Pahl to the Museum Board of Trustees and Riverview Drive RMSA Board and Annette Smith to the Chilkat Center Advisory Board for new three-year terms ending 11/30/2015.

#### **\*2.** Golder Associates Report

Following funding authorization on 11/15/11, the Haines Borough contracted with Golder Associates to review sockeye salmon declines in Chilkat and Chilkoot Lakes. A draft report has been prepared and Golder is awaiting comments from the Gillnetters Association and the Borough prior to finalizing it. The mayor recommends referral to the Commerce Committee to review the report and respond to comments, including those received from Burl Sheldon. Motion: Refer to the Commerce Committee for review of the Golder Associates Report and response to comments.

#### 3. Klehini Bridge Project Postponement - Comments

The ADOT&PF is accepting comments until 1/21/13 on the proposed Klehini Bridge replacement which includes transfer of ownership of the new bridge to the borough. The assembly will have an opportunity to discuss this project and develop comments, if desired.

#### 4. Establish Ad Hoc Committee - FY14 Nonprofit Funding

The mayor would like to establish an ad hoc nonprofit funding committee for the FY14 budget process, and she seeks assembly confirmation. Her recommendation is that the committee be composed of a member of the assembly, the borough finance director, the mayor, and a member of the public with expertise in grant review. Motion #1: Confirm creation of an ad hoc FY14 nonprofit funding committee with the composition and scope of work as recommended by the mayor in her December 31, 2012 memo. Motion #2: Confirm the appointments of Assembly Member Waterman and community member Carol Tuynman to the committee.

#### **\***5. Port Development Study - Final Report with Recommendations

Working with the Haines Port Development Steering Committee (HPDSC), Northern Economics has completed a port study including a market analysis and a port comparison. The final report includes recommendations, and the HPDSC is submitting this for assembly approval. <a href="Motion">Motion</a>: Accept the Northern Economics Port Study Report with the Recommendations.

#### **\***6. <u>Liquor License Renewal – American Legion</u>

The Alaska Alcohol Beverage Control Board has notified the Borough of a pending liquor license renewal for the American Legion. The Board, prior to its final approval, is giving the local government an opportunity to make a statement, if so desired. Since this is a preexisting liquor license, assembly action is optional.

#### 7. STIP Amendment 4 - Comments

The ADOT&PF is accepting public comment on proposed Amendment #4 to the 2013-2015 STIP until 5pm 1/7/13. The mayor was unsuccessful in her efforts to get an extension to the deadline. However, the assembly may still choose to prepare comments during this meeting that would still be considered even though they would not be a part of the official comment record. The manager thoroughly reviewed the proposed amendment and prepared a report for the assembly. He will submit his comments by the deadline.

- 12. SET MEETING DATES
- 13. PUBLIC COMMENTS
- 14. ANNOUNCEMENTS/ASSEMBLY COMMENTS
- 15. ADJOURNMENT

Haines Borough, Alaska Agenda: January 8, 2013

#### Haines Borough Borough Assembly Meeting #237 December 11, 2012 MINUTES

## Draft

1. <u>CALL TO ORDER/PLEDGE TO THE FLAG</u>: Mayor SCOTT called the meeting to order at 6:30 p.m. in the Assembly Chambers and led the pledge to the flag.

#### 2. ROLL CALL

**Present:** Mayor Stephanie **SCOTT**, and Assembly Members Debra **SCHNABEL**, Jerry **LAPP** (via teleconference), Norman **SMITH**, Steve **VICK**, and Dave **BERRY**. **Absent:** Assembly Member Joanne **WATERMAN**.

**Staff Present:** Mark **EARNEST**/Borough Manager, Julie **COZZI**/Borough Clerk, Jila **STUART**/Chief Fiscal Officer, Michelle **WEBB**/Deputy Clerk, Darsie **CULBECK**/Executive Assistant to the Manager, Gary **LOWE**/Chief Of Police, Carlos **JIMENEZ**/Director Of Public Facilities, Patty **BROWN**/Library Director, and Jerrie **CLARKE**/Museum Director.

Visitors Present: Karen GARCIA/CVN, Margaret FRIEDENAUER/KHNS, Bill KURZ, Kelly LOWE, Thom ELY, Paul NELSON, and others.

#### 3. APPROVAL OF AGENDA & CONSENT AGENDA

The following Items were on the published consent agenda:

- 4 Approve 11/27/12 and 12/4/12 Assembly Meeting Minutes
- 8B Chilkat Center Activity Report
- 9A Fire Service Area #1 Board Minutes
- 9B Parks and Recreation Advisory Committee Minutes
- 11A1 Adoption of Resolution 12-12-424
- 11A4 Adoption of Resolution 12-12-427

<u>Motion</u>: LAPP moved to "approve the agenda/consent agenda," and it was amended to add Item 11C2 'Southeast Ferries'. The motion, as amended, carried unanimously.

#### \*4. APPROVAL OF MINUTES - November 27, 2012 Regular and

December 4, 2012 Joint Meeting with School Board

5. PUBLIC COMMENTS - None

#### 6. MAYOR'S COMMENTS/REPORT

Mayor **SCOTT** read a proclamation honoring Representative Thomas and expressing appreciation on behalf of the grateful community.

She was able to attend the eighth grade class's storm drain mapping presentation at the Sheldon Museum. She learned that Public Works Supervisor Bruce Smith taught them how to read blueprints and took them on fieldtrips. Also, Carlos Jimenez visited their classroom to provide information.

She asked AP&T to explain how it decides when to use diesel to generate electricity. The decision to switch to diesel is generally determined by the price of fuel. It is made to reduce the cost to rate payers.

#### 7. PUBLIC HEARINGS

#### A. Ordinance 12-11-309 – Second Hearing

An Ordinance of the Haines Borough Assembly amending Borough Code Title 8, Section 8.20.010 to remove certified landfill material from the list of items not considered a bear attraction nuisance.

Mayor **SCOTT** opened the public hearing at 6:39pm.

The mayor read a written comment from Burl Sheldon on behalf of Community Waste Solutions. They have no objection to this ordinance.

Hearing no further public comments, the mayor closed the public hearing at 6:40pm.

<u>Motion</u>: **BERRY** moved to "adopt Ordinance 12-11-309," and the motion carried unanimously in a roll call vote. There was no discussion.

#### B. Ordinance 12-11-310 – First Hearing

An ordinance of the Haines Borough Assembly providing for the addition or amendment of specific line items to the FY13 budget.

Mayor **SCOTT** opened and closed the public hearing at 6:42pm; there were no public comments.

<u>Motion</u>: **BERRY** moved to "advance Ordinance 12-11-310 to a second public hearing on 1/8/13," and it was amended to add the following:

(13) To accept and appropriate a grant from the State of Alaska Department of Environmental Conservation (DEC) in the amount of \$675,500 for Barnett Water Tank Replacement and to accept and appropriate a loan from the State of Alaska DEC Alaska Drinking Water Loan Fund in the amount of \$289,500 for the same purpose. The total project budget for the Barnett Tank Replacement is \$965,000.

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				Fund Balance
		Current FY13	Proposed	Increase /
		Budget	FY13 Budget	(Decrease)*
42-90-00-4341	Municipal Matching Grant	\$0	\$675,500	\$675,500
42-90-00-4341	ADWF Loan Proceeds	\$0	\$289,500	\$289,500
42-90-00-7392	Project Expenditures	\$0	\$965,000	(\$965,000)
	Re	venue over (unde	er) expenditures	\$0

The motion, as amended, carried unanimously.

During the discussion, SMITH asked for an explanation of the increase in the sludge composting and screenings, and STUART explained it is because of a combination of increased costs and a higher volume. SCOTT added the borough has money from the state for a composting shed, and a cost analysis is still being done. BERRY asked how many months the borough was not hauling sludge. EARNEST said there was about nine months backlog, and there was some that was not invoiced in FY12 that is being paid in this fiscal year. It's important to look at the total cost of composting sludge to determine if it is really what the borough wants to do. Also, staff is looking at possible alternatives for using the sludge composting funds, all of which involve sewer-related priorities. SCOTT said she considers the sludge a resource that can be developed into a compostable product and added to the soil. The Community Waste Solutions (CWS) composting program will work to create a product that can be used for personal gardens. As long as it's not a wasted resource, she feels good about it. SCHNABEL said many of the problems had to do with inefficiencies and disruptions that were not the borough's fault. The administration should take a strong stand to negotiate for the borough so it is not interpreted that we are willing to deal with whatever is handed to us, such as late invoices. SMITH said the borough was paying CWS to dispose of the sludge and they were not doing it appropriately. Now that they are doing it right and turning it into a sellable product, they should pay the borough for the sludge. **EARNEST** clarified the borough does not have a contract with them.

#### 8. STAFF/FACILITY REPORTS

**A. Borough Manager –** *12/11/12* 

**EARNEST** explained the following additional items placed in the assembly folders:

- Substitute Resolution 12-12-428, FY14 Legislative Priorities. This incorporates the planning commission comments. He said he would cover this more during agenda item 11A5.
- Letter to Governor Parnell requesting \$800K for the Port Chilkoot Dock Phase II Project.
- Request for Comment ADOT Project to remove a pipeline over the Chilkat River. The comment deadline is 12/31/12. If there is no objection from the assembly, he proposed to send a letter of non-objection. Some tests have been done on hazardous contents as part of their permit and they will continue to test during the removal project. He is not certain of the disposal plans. The borough will work with the state to determine if there is any value to the pipe and, if so, the borough might be interested. He will include that in the letter.
- Support Federal Funding for the Shakwak Project. The planning commission supports this. The funding was originally for construction of the Haines Highway and for maintenance, as well. A lot of fuel and freight trucking travels through here. The Canadian government has made it clear that their priority is going to be the Klondike Highway, so the US government funding is needed

for the Haines Highway. It may be important to do a resolution in January.

#### 1. Public- or Private-Sector Option?

The manager presented two program options for dealing with impounded and abandoned vehicles, and, the assembly was asked to decide which option would be preferred in the event Ordinance 12-10-308 was adopted.

**SCHNABEL** said a lot of people contacted her to express opposition to the motor vehicle tax. She had been a proponent, but enough people have said to her that the borough should be enforcing its own code. What's missing is an RFP to pull it all together to make it happen. SCOTT said the packet contains a memo from her that the towing service tool has not been provided to our enforcement staff. She would like to see a motion that directs the manager to issue an RFP for towing services to remove the vehicles from the streets. BERRY appreciates the work and believes in the private sector. He asked about the \$25 fine in code. LOWE explained it is a fine/ticket in addition to any towing costs. VICK said the borough did previously have a contract and he's not sure it was a satisfactory one because of exorbitant fees. He asked what happens if there are no feasible private sector proposals. SCHNABEL said the borough needs to come up with a "fair" fee. It should be a give and take solution. The borough has to be able to support the fees being charged to get the needed job done. If the borough doesn't get an acceptable price, we can keep working at it until we get what we need. When we are clear that we'll enforce our ordinances, it will enable a contractor to work with the borough in good faith. She remembers years ago when people were towed all the time, and we have to get back there and fix whatever broke down. SMITH suggested maybe the borough should add \$25,000 to the Police Department budget to be used for towing. SCOTT said there has to be a mechanism for the towing unless they go out and buy their own tow truck.

<u>Motion</u>: **SCHNABEL** moved to "direct the manager to advertise an RFP that will enable the government to enforce its laws," and it was amended to insert a colon (:) followed by the text 1) towed and impounded vehicles, 2) abandoned vehicles, and 3) junk vehicles. The motion, as amended, carried unanimously.

**\* B.** Chilkat Center – Facility Report for November 2012

#### 9. COMMITTEE/COMMISSION/BOARD REPORTS & MINUTES

- **\***A. Fire Service Area #1 Board Minutes of 10/26/12 Meeting
- **\* B.** Parks and Recreation Advisory Committee Minutes of 11/8/12 Meeting
  - C. Assembly Standing Committee Reports

#### 10. UNFINISHED BUSINESS

#### A. <u>Ordinance 12-10-308</u>

An Ordinance of the Haines Borough Assembly amending Haines Borough Code Title 3 to establish a Vehicle Retirement Program Fund, to levy a motor vehicle registration tax, and to exempt from property taxes all vehicles subject to the registration tax.

This was introduced on 10/23 and the first hearing was 11/6. Following the second hearing on 11/27, the assembly postponed it to this meeting with the following motions on the table. Discussion resumed at the primary amendment level.

Main Motion: "Adopt Ordinance 12-10-308."

<u>Primary Amendment #1</u>: "Include impoundment vehicles in the ordinance by incorporating the amendments proposed in the November 27, 2012 document prepared by the borough manager."

<u>Secondary Amendment</u>: LAPP moved to "replace with the substitute ordinance prepared by the borough clerk," and it carried **4-1** with **SMITH** opposed.

The amended primary amendment motion carried 4-1 with SMITH opposed.

During the discussion, **BERRY** said he believes it is premature to tax the residents. The request for proposals (RFP) should be tried first. **SCHNABEL** spoke against this because the language encourages an attitude that the public's dollar can be counted on to pay for what a private person should be responsible for. Also, Title 8 already makes it clear that cost recovery is an individual's the responsibility. **EARNEST** said in the case of many abandoned vehicles, there is no way to track down the owner. Sometimes the vehicle identification number is obliterated or there is trouble tracking down and collecting. There are people who behave irresponsibly and the borough is left to deal with and pay for the mess. The process of tracking down the last registered owner can be administratively time-consuming. **LOWE** said he is as frustrated as anyone about the towing situation. The police department does not have the tools to enforce the code. The borough could get the cost recovery,

but the first thing to do is issue an RFP to find a company capable of towing the vehicles. **SCOTT** said common sense tells us there are enforcement costs, and they are not always recovered from the culprit. **VICK** asked if costs outside of cost recovery from the owner still make this ordinance necessary. **EARNEST** said the borough doesn't know what a proposal will consist of, what components will be included, or what the fees will be. There could be a large gap between the proposal and the assembly's determination of a reasonable fee. As an arbitrary, hypothetical example, if someone runs out of gas and is towed, and the fee is \$1,200, is that appropriate or fair?

<u>Motion to Postpone</u>: VICK moved to postpone until after the RFP is issued and there has been time to review the proposals," and the motion carried unanimously.

**VICK** explained this postponement may help to eliminate some of the speculation about what might be needed and answer some of the questions.

#### 11. NEW BUSINESS

#### A. Resolutions

#### \*1. Resolution 12-12-424

A Resolution of the Haines Borough assembly authorizing the Borough Manager to enter into a construction contract with Southeast Road Builders for the Barnett Drive Bolted Steel Water Tank project for an amount not-to-exceed \$537,950.00.

The motion adopted by approval of the consent agenda: "adopt Resolution 12-12-424."

#### 2. Resolution 12-12-425

A Resolution of the Haines Borough assembly authorizing the Borough Manager to contract with Pacific Rim Mechanical, LLC in the amount of \$76,356 for Mosquito Lake School fire suppression system repairs.

<u>Motion</u>: VICK moved to "adopt Resolution 12-12-425," and it was amended to fill in the blank by inserting that it will be paid for out of the borough's General Fund. The motion, as amended, carried unanimously in a roll call vote.

During the discussion, EARNEST noted the last whereas clause contains a blank and the funding needs to be identified. SCOTT said an amendment will be needed to fill in that blank. EARNEST said the Fire Marshal has given the borough until tomorrow to order the tank. No matter the funding source and even if the funding needs to be determined later, it is imperative the administration be given the authority to move forward on this immediate mandated repair involving a tank, pumps, and other apparatus. There can be follow up conversations regarding funding subsequent to this meeting. He added that there is a larger project not part of this resolution that would add upgrades. This immediate work will serve the shop and deliver some sprinkled water into the school building. JIMENEZ added this will sprinkle the furnace room. VICK asked if this is major maintenance. [Yes] He asked if the savings the school received from the AP&T overpayment would be available to pay for this, and was informed the savings is in the form of a credit. SCHNABEL expressed concern. There is a lot of unfinished business with the school district with regard to major maintenance. It was brought to her attention that the school district has accumulated an \$875,000 capital projects fund balance. That fund was created through years of overage and things like not having to pay for an electric bill. Following the approval of the list of capital projects during the recent joint meeting with the assembly, the School Board proceeded to appropriate \$618,000 of that fund, leaving them with a \$256,000 balance. The items paid for included copier replacements, wrestling mats, cardlock systems, etc. She is concerned that there are unspoken opinions about what is to be paid for. The assembly is trying to determine how to pay for this emergency project. SCOTT said the borough cannot legislate how the school district uses their funds. VICK said the borough also has a fund balance. He asked if the assembly could ask the school district to split the cost 50-50. SCOTT said good practice for a municipality is to maintain four to six months of operating costs in reserve. SMITH thanked SCHNABEL for bringing this to the assembly's attention. He finds it interesting that fire safety doesn't appear to be a priority for the school district. He asked what the borough's obligation is where major maintenance is concerned. SCOTT said the borough has absolute responsibility, although state law allows the borough and school district to come to an agreement to determine parameters. SMITH noted in the documentation that a bigger tank is an additional \$20,000, and he believes the assembly would be remiss not to add it. JIMENEZ explained the estimate to do the big project, the whole school, is actually \$180,000. BERRY reiterated the manager's comments that the funding can be sorted out later. STUART said the fund balance is currently at about the six-month target of operating costs. EARNEST said this \$75,000 will eat into the fund balance. LAPP believes the school district created this emergency and he shares

**SCHNABEL**'s concern.

#### 3. Resolution 12-12-426

A Resolution of the Haines Borough assembly authorizing the Borough Manager to enter into a Memorandum of Understanding with Prophecy Platinum Corp. to establish a framework of mutual cooperation and the exchange of information among the parties regarding the potential development of the Wellgreen Ni, Cu, Au, PGE deposit near Burwash Landing, Yukon Territory.

<u>Motion</u>: **BERRY** moved to "adopt Resolution 12-12-426," and it was amended to remove the paragraph pertaining to binding provisions and change the date to today's date. The motion, as amended, carried unanimously in a roll call vote.

During the discussion, **SMITH** wondered why the people are not here talking to the assembly. **BERRY** said in his line of duty, MOAs and MOUs are standard operating documents, and he has no issue with this. It's just a document that will help both organizations work together. **VICK** agreed. This is nonbinding and will help the entities to have conversations. **SCOTT** noted this is a modification of an earlier draft and has been reviewed by the Haines Port Development Steering Committee. **EARNEST** said they attempted to remove all binding and confidentiality language but one paragraph was inadvertently left in. He also noted Prophecy Platinum has been in Haines and they participated in the Haines Port Development Summit. They have agreed to return. This MOU is part of the process of establishing a working relationship. He speculated this is at least six years out because of permitting, feasibility study, design, financing determinations, etc. It's a long process. **BERRY** called for the question, and it was unanimous. Therefore, discussion ended, and the vote took place.

#### \* 4. Resolution 12-12-427

A Resolution of the Haines Borough assembly authorizing the Borough Manager to execute a contract extension and change order with Southeast Road Builders, Inc. for the Lily Lake Water Transmission Project for an amount not to exceed \$14,629.08.

The motion adopted by approval of the consent agenda: "adopt Resolution 12-12-427."

#### 5. Resolution 12-12-428

A Resolution of the Haines Borough assembly adopting the Borough's FY 2014 state legislative priorities.

<u>Motion</u>: **VICK** moved to "adopt Resolution 12-12-428," and it was amended to include the *Shakwak Project* in Section 2 and reposition the *HS/Pool Locker Rooms and Mechanical Systems* and *Mosquito Lake School Sprinkler System* to positions four and five in the Section 1 list. The motion, as amended, carried unanimously in a roll call vote.

During the discussion, EARNEST reviewed the list and said the only other change is the addition of the Shakwak Project in Section 2. The planning commission endorsed the way the substitute resolution appears. SCHNABEL moved to include the Shakwak Project in Section 2, and the motion carried unanimously. SMITH moved to include the Alaska Class Ferry to Section 2. Mayor SCOTT spoke against it, because it is not presently known what the situation is, and she's not sure it's the most effective thing to do at this time. The motion failed 2-3 with SCHNABEL, BERRY, LAPP opposed. VICK asked for an explanation of why the planning commission moved the Lutak/Oceanview Area Slump Mitigation & Drainage Improvements down the list. EARNEST explained it was more the prioritization of the first two tiers not so much specifically moving that project down. The feeling was these other projects rose above that particular one. SCHNABEL moved to reposition the HS/Pool Locker Rooms and Mechanical Systems and Mosquito Lake School Sprinkler System to positions four and five in the Section 1 list. Although she is excited and energized about the challenge of a new Public Safety Building, to have it as high as it is implies the borough knows where it's going with it. VICK moved to divide the question but that failed 3-2 with BERRY and SCHNABEL opposed. SMITH observed the absence of item costs. EARNEST said the resolution itself has never carried dollar amounts. It's important not to lock into a specific number and the titles should be kept as generic as possible. The task before the assembly is to prioritize a list. There will still be some additional refinement when it's entered into CAPSIS. SMITH moved to amend to make Mosquito Lake School Sprinkler System position number 1 rather than number 5, and it failed for lack of a second. The amendment motion carried 4-1 with **SMITH** opposed.

#### B. Ordinances for Introduction - None

#### C. Other New Business

#### 1. Board Appointments

(Re)appointment requests were received for various seats on the Parks and Recreation Advisory Committee, Fire Service Area #1 Board, Fire Service Area #3 Board, Letnikof Estates RMSA Board, Planning Commission, and Museum Board of Trustees. After review and consideration of the board recommendations, the mayor sought assembly confirmation of the appointments.

Mayor **SCOTT** explained additions to her appointment document: Jim Heaton to Museum Board and Robert Venables and Lee Heinmiller to the Planning Commission.

Motion: BERRY moved to "confirm the mayor's (re)appointments as listed on the 12/11/12 Mayoral Appointment document and including the additional appointments." The motion carried unanimously.

#### 2. <u>Southeast Ferries</u> (added during approval of the agenda)

The mayor explained the current efforts to acquire information regarding the Governor's recent decision to cancel the Alaska Class Ferry. **SMITH** believes a resolution should be drafted opposing the Governor's decision. **VICK** said he doesn't know the next step, because there is a lot of information to be gathered. **SCHNABEL** suggested perhaps a blog for people to post information. Mayor **SCOTT** said this is not just about Haines; it's about Southeast Alaska. There are many communities impacted by this decision. Skagway Mayor Stan Selmer has suggested that Haines and Skagway meet together in a workshop and adopt a joint resolution. It would be an excellent way to learn more about it and become more articulate. She said the Alaska Class Ferry was part of the plan to replace the aging ferries. **EARNEST** said tens of millions of dollars has been appropriated for the Alaska Class Ferry, so this change would undoubtedly require legislative action. **SCOTT** is targeting possibly the second meeting in January for a resolution. **VICK** said he would prefer information coming to the assembly via email and packets as opposed to trying to filter through comments on a blog or forum. **SCOTT** said she will work with **CULBECK** to put together information on this important issue as it becomes available.

#### 12. **CORRESPONDENCE/REQUESTS** - None

#### 13. <u>SET MEETING DATES</u>

- A. Government Affairs & Services Committee Tuesday, 12/18, 5:30pm Purpose: meet with the Parks and Recreation Advisory Committee regarding their request to change the composition of that Committee. Location: Public Library.
- B. Assembly Joint Work Session with the School Board and Representative-Elect Jonathan Kreiss-Tomkins followed by a public reception – Wednesday, 12/19, 5:00pm – Location: Chilkat Center Lobby.
- C. Finance Committee Tuesday, 1/8/13, 5:30pm Purpose: FY13 Budget Amendment Ordinance.

#### 14. PUBLIC COMMENTS

**ELY** said public input on mining issues is important, and he would like to be ahead of the curve on these development issues. He believes the Haines Port Development Steering Committee is not only a port development committee but a "pro-development" committee. Other opinions need to be considered.

**CLARKE** informed the assembly of an upcoming "people of Haines" exhibit at the Museum scheduled for February and March. More information will be forthcoming in a postal customer mailing.

#### 15. ANNOUNCEMENTS/ASSEMBLY COMMENTS

**SCHNABEL** asked if the heliskiing investigations will be on an assembly agenda, at some point. Mayor **SCOTT** explained the family asked the assembly to deny any permit renewal but that is not the assembly's prerogative. The family has filed a complaint with the Alaska State Troopers regarding the investigation that was conducted. They allege there were violations of the borough permit. The complaint is not to the borough. It does reference the borough's permit and what may or may not be a part of that. **SCHNABEL** suggested staff consider bringing this to the assembly if it would be helpful, and **EARNEST** said he will keep that in mind.

<b>16.</b> <u>ADJOURNMENT</u> – 9:23pm <u>Motion</u> : <b>SMITH</b> moved to "adjourn to	he meeting," and the motion carried unanimously.
ATTEST:	Stephanie Scott, Mayor
Julie Cozzi, MMC, Borough Clerk	<del></del>

## Mayor's Report

Haines Borough Office of the Mayor 103 Third Avenue S. Haines, Alaska 99827 sscott@haines.ak.us Voice (907) 766-2231 ext. 30

January 1, 2013

#### Revision of the Alaska Class Ferry Plan

Governor Parnell's December 4 announcement to revise the plan to build the 350-foot Alaska Class Ferry sparked a flurry of concern and communication. I circulated a letter sent by me (attached) to the Governor, December 21, to Southeast Legislators and mayors.

I think it is safe to say that the concerns raised in the letter are not held solely by us. For example, Hannah McCarty, staff counsel to Representative Beth Kerttula writes.

"Your questions certainly mirror the Juneau delegations' concerns. The delegation me with Commissioner Kemp and I know all of the legislators from Southeast will be delving much deeper into this decision during the upcoming session." (Email to me Dec. 27).

Dave Kiffer, Mayor, Ketchikan Gateway Borough, wrote,

"Great letter. There will be discussion about a Ketchikan response to the Governor's new proposal at the January 7 Ketchikan Assembly meeting." (Email to me Dec. 24.)

On December 31, Senator Stedman's office emailed:

"Like you, Senator Stedman has many questions about the feasibility of this new plan to build tow smaller ferries, what this means to the level of service throughout Southeast, the legitimacy of the cost projects, and so on. Senator Stedman asked me to reply and let you know that he will be scheduling meetings with the Department of Transportation officials and the Governor when he gets to Juneau in a couple of weeks for the start of the legislative session. This will be one of the main topics of discussion. We will keep you informed as to the outcome of these meetings." (Email to me December 31.)

December 28, DOT/PF Commissioner Pat Kemp's office transmitted the promised "white paper" explaining the Alaska Class Ferry change in direction. (Attached to this report and also posted on the Haines Borough website under "What's New," www.hainesalaska.gov/).

Though many things about the way this change has been launched are of great concern (for example, the lack of involvement of the Marine Transportation Advisory Board, MTAB), I do recommend that we try to keep our eyes on the prize: safe, reliable ferry service adequate for the traffic in the Lynn Canal.

So what's next? That is the question I posed to Representative Wilson during our December 28 teleconference. Robert Venables, MTAB Chair and Debra Vogt also participated. Representative Wilson (R – District 33, Wrangell, Ketchikan, and the northern part of Prince of Wales), chairs the House Transportation Committee. Representative Elect Jonathan Kreiss-Tomkins, is a Transportation Committee member. Rep. Wilson concerns regarding the change of course with respect to the Alaska Class Ferry seemed to mirror those expressed by Senator Stedman office. Wilson has scheduled the topic for the second meeting of the House Transportation Committee which she expects to take place January 22.

In the meantime, Rep. Wilson suggested that we develop a set of questions or concerns that we request Rep. Elect Kreiss-Tomkins to express during the Transportation Committee meeting. These same set of questions can be transmitted to the MTAB, tentatively scheduled to meet that same week. In view of the fact that we do not meet again until January 22, I am calling a special meeting for January 15 for one-hour to review a set of questions that we will submit to the House Transportation Committee through Representative Tomkins. In preparation for that meeting, please carefully read through Commissioner Kemp's white paper and prepare your questions for Assembly review and submittal. I make the similar appeal to the public, and to the Municipality of Skagway through a recent communication with Mayor Selmer, hoping that we can speak clearly and positively on behalf of the Upper Lynn Canal. I have appended a very preliminary set of questions to get you going.

#### As Long as Stop Signs Are Not Yield Signs - Stop

I was stopped by Officer Patterson last week for rolling through a stop sign. When Officer Patterson explained why he stopped me, I exclaimed in dismay, "I did?" Officer Patterson said, "That's what everyone I stop says!" And he has stopped quite a few people lately. However, Officer Patterson's examination of accident logs, shows that rolling stops have not contributed to accidents, but that doesn't make them legal or safe! Until we change stop signs to yield signs (and we're probably not going to do that anytime soon), it is illegal not to come to a full stop at a stop sign – regardless of the apparent Haines habit of doing so. I've asked Al if he would consider adding how to come to a full stop at a stop sign and the perils of not doing so to one of his Safety Talks sometime soon; and I've asked the Chief to consider publishing a PSA reminding us to come to a full stop at our stop signs. We all might need a little educational reminder. I got a verbal warning; next time – probably a ticket.

#### **Unfinished Business and Business Accomplished**

We established 8 goals to address during 2012 during the February 11, 2012 Strategic Planning Session. We have addressed 4 and we have 4 that are outstanding. The four addressed include: Facility Survey, Financial Disclosure, Communication Training, and procedures for addressing filling vacancies on the Assembly. Three of the four that are outstanding relate to budgeting and prioritization:

- 1. identification of essential pieces of equipment
- 2. refining the budget process so that the community and assembly is better informed and more involved
- 3. refining and using a project decision matrix
- 4. investigation of the slate approach to the election of Assembly members

Perhaps now is exactly the right time to request the Assembly Finance Committee to visit 1 and 2 in discussion with the Finance Director and the Manager. I have independently suggested that the Finance Director and the Manager consider publishing a calendar for review of department and component unit budgets so that the relevant advisory groups can participate in budget discussions at the department level prior to coming before the Assembly. I have already had notification that the Tourism Advisory Board and the Fire Service Area Number 1 Board are looking at budget issues. And during the meeting on January 8 we will consider an ad hoc committee to refine our process for appropriations to non-profits. Sounds like "more involvement" to me!

In any case, I would like us to get together again in late February to revisit last year's goals and create goals for 2013. One of the goals I hope you will consider is the creation, adoption, and implementation of an energy policy for the Haines Borough as recommended by Alaska Housing Finance Corporation based on its 2012 research on the energy use in public buildings.

Lest you feel bereft because we have only addressed 50% of the goals in our 2012 Strategic Plan, please admire this long list of accomplishments compiled by the Administration and posted on the Haines Borough website!

#### **2012 Accomplishments**

The Haines Borough accomplished a lot in 2012! The list includes, but is not limited to, the following:

- Comprehensive Plan updated
- Strategic Planning process launched
- Excursion Inlet Hydro feasibility study
- Excursion Inlet float
- Klehini Valley Fire Hall upgrades

- Wood heat feasibility project
- Senior Center roof repair
- Senior Center installation of a wood pellet boiler
- Scrap metal barge came to town and took away 400 cars
- Lutak Dock security fence installed
- Picture Point purchase
- Haines 2015 master planning effort
- New roof on the Chilkat Center
- · New boiler at the Chilkat Center
- New boiler at the Public Safety Building
- Acquired \$19.5 million of funding for downtown harbor expansion
- Over \$1 million of paving and road improvements on downtown roads
- Water plant roof repairs
- Voc-Ed Building residing and ADA improvements
- New High School gymnasium floor and bleachers
- 26-mile repeater replaced
- New sand filter for the swimming pool
- New grader for Public Works
- Developed and launched a new website
- · New carpeting and linoleum in Borough Administration Building
- New Sunshine/Piedad waterline
- iPads and electronic packets for the mayor and assembly
- · Borough email addresses assigned to assembly members
- Public-access computer in the Borough Administration Building
- Commenced a large public records scanning and organization project
- Port Chilkoot Dock project is progressing
- Solid waste management efforts
- Port development is moving forward
- Over 92 individuals served on the borough's various boards, committees, and commissions!

December 21, 2012

The Honorable Sean Parnell Governor of Alaska P.O. Box 11001 Juneau, Alaska 99811-0001

#### Dear Governor Parnell

Governor Parnell, your decision, announced on December 4, to abandon the ongoing Alaska Class Ferry project in favor of smaller shuttle ferries raises many questions. As Mayor of Haines, I have been inundated with comments, questions, and requests for information from Haines residents. As to the questions and requests, I am as bereft of information as any of my constituents. I cannot overemphasize the importance of this issue to my constituents.

The Haines Borough Assembly will convene on Tuesday, January 8, 2013, and again on January 22<sup>nd</sup>. Sometime during our January schedule, I expect that the assembly will wish to express a more formal opinion on this issue. For that reason, I respectfully ask that you and your staff provide me with whatever of the following information that it is possible to assemble and transmit by early January, so that assembly members will be able to incorporate the information into their thinking. I have tried to formulate questions that I think are key to our perception of the course change, but please do not hesitate to confine your response to my questions. Please feel free to tell us what you believe we need to know in order to think clearly and carefully about your proposal.

First, we are all very curious to know how the decision was made. Your press release states that the decision was made "after it became apparent ... that building a 350-foot ferry, on budget, in Alaska, could not be accomplished." Where did these cost figures come from? Who participated in this decision?

Would, or should, the new plan be subject to legislative approval?

Why did you not follow established procedures for decisions about Alaska's ferries? The Marine Transportation Advisory Board was established in 2003 and adopted in statute in 2009.

It is a part of your Department of Transportation. The MTAB was taken completely by surprise by this decision. As far as I can discover, the Ketchikan shipyard was taken by surprise by this decision, as were Southeast Alaska legislators. It looks to me as though your Deputy Commissioner for Marine Operations, Captain Michael Neussl was also surprised. Many Haines residents feel that circumvention of the public process is one of the most important issues implicated by your decision. How can I reassure them that participation in the public process is not in vain?

If there is no design established yet for the two shuttle ferries your new plan contemplates, how can you make the statement:

By setting a new course, Alaskans can build two smaller Alaska Class Ferries and stay on budget, and at the same time provide the same or better level of service Alaskans expect from our marine highways.

[Press release, Governor's Office, December 4, 2012]

What level of service do you believe is appropriate for Upper Lynn Canal? By that I mean, how many cancellations or seasickness-inducing sailings are you planning for? The Southeast Alaska Transportation Plan Shuttle Ferry Study, prepared in January of 2010, notes that

If the vessel is sized to the traffic demand, AMHS must ask of their customers whether a reduced reliability of service is acceptable, especially during the winter months. If a vessel can make 99 out of 100 scheduled trips in the summer, but only 80 out of 100 trips in the winter, does that reach an acceptable level of service? How should the ferry compare with other publically funded transportation such as the highways? These are policy questions, not design questions.

[Study, page 21]

That study discusses wave conditions and wind speeds in various areas in Southeast. While I am not familiar with the exact terminology used, I question whether the Elliot Bay group properly assessed conditions in Upper Lynn Canal. The wave heights throughout the study appear to be underestimated. <sup>1</sup> The LeConte was cancelled twice this week due to 11-foot seas. The past several weeks have seen sustained winds in the 55-knot range, with higher gusts. While the LeConte (235') was cancelled Wednesday and Friday, the Taku (352') sailed Thursday, in essentially the same weather.

What connection, if any, does this change bear to the proposed Juneau Access Road?

<sup>&</sup>lt;sup>1</sup> It is also possible that sea conditions need to be reexamined in light of research that indicates that wind speeds and wave height will increase with global warming. See http://www.researchgate.net/publication/50850792 Global trends in wind speed and wave h eight

What is the conceptual design for the shuttle ferries? Is it true that you are considering an at least partially open car deck? [Did you see this recent picture of the LeConte in Upper Lynn Canal?]



Your DOT Commissioner (Acting) Pat Kemp told me that his department is "going to assemble a paper that discusses the information and key points that led to the decision." [Email to me, Dec. 11, 2012] Can you tell me when this study will be available?

Finally, may I meet with you or your representative soon, in person or via teleconference, about our concerns? Thank you.

Sincerely,

Stephanie K. Scott Mayor, Haines Borough

Cc: Senator Bert Stedman

Senator Dennis Egan

Representative Bill Thomas

Representative-Elect Jonathan Kreiss-Tomkins

Representative Cathy Munoz

Representative Peggy Wilson

Representative Beth Kerttula

Commissioner Pat Kemp

Deputy Commissioner Captain Michael Neussl

Robert Venables, Chair, Marine Transportation Advisory Board

Shelly Wright, Executive Director, Southeast Conference

Stan Selmer, Mayor, Municipality of Skagway

### **Alaska Department of Transportation & Public Facilities**

Alaska Class Ferry: Project Overview and Change in Direction

#### **System Overview**

The Alaska Marine Highway System (AMHS) is currently comprised of 11 ferries, each of which performs a distinct mission for the department. The fleet can be divided into three classes of service.

The larger vessels are described as "mainline" ferries and are able to do the heavy haul for public travel with a greater capacity for semi-trailers, large trucks, heavy equipment, etc. These vessels are a 24/7 operation when in service and are manned with multiple crews and crew quarters. The vessels provide all the amenities the system can offer: staterooms, dining rooms, movie rooms, a large car deck, etc. These vessels are the: M/V Columbia, M/V Malaspina, M/V Matanuska, M/V Kennicott, M/V Tustumena and M/V Taku.

A second class of vessel is the Aurora Class, which includes the M/V LeConte and M/V Aurora, both of which are 235 feet long and can transport 34 standard vehicles and up to 300 passengers. These vessels are designed to provide public transportation to smaller communities and fill in for mainliners when required and where possible. The vessels have the capability to operate 24/7 with multiple crews and crew quarters onboard. There are no staterooms available for travelers and food service is similar to what is available on mainline vessels. Currently the M/V Aurora operates with multiple watch crews in Prince William Sound and the M/V LeConte serves Lynn Canal and Icy Straits within the work/rest requirements for one crew.

The last vessel class is the "shuttle ferries." These are home ported in one community, make a trip to another community and return each night for overnight moorage. The M/V Lituya, FVF Fairweather, FVF Chenega and the non AMHS entity Inter-Island Ferry Authority M/V Prince of Wales are examples of this vessel class. These vessels do not have staterooms for crew or passengers, are minimally crewed and are operated on routes where the sailing can be completed within 12 hours. The 12-hour criterion is important because operations over this length of time require additional crews and the inclusion of crew quarters and eating facilities add operating and capital costs. These vessels offer the most efficient service but are limited to their use in that they can only serve communities distanced less than 12 hours apart from the time the crew begins in the morning and ends their shift each night.

#### **Brief History**

On June 28, 2006 the Alaska Department of Transportation and Public Facilities (DOT&PF) issued a statement of services for a shuttle ferry class of vessel described as "Southeast Shuttle Ferry" with the purpose to:

"Select Naval Architecture and Marine Engineering Firm to modify a concept ferry boat design to meet Alaska Marine Highway Systems operational and performance requirements for a new class of Southeast Alaska Shuttle Ferries."

The statement of services specified that the vessel design must meet the following criteria:

Vessel Type: Roll On-Roll Off Passenger Ferry

• Overall Length: 255ft to 305ft

Passenger Capacity: 450 (interior seating for 300 passengers)

• Vehicle Capacity: 48-60 plus

Loading Ability: Bow, Stern and Side

Cruise Speed: 18 knots (20 knot sprint speed)Operation: Day Boat Operations (12 hours)

This began the process toward building the Alaska Class Ferry (ACF), which would be the first AMHS stern/bow roll on-roll off (RORO) vessel since the M/V Bartlett. The stern/bow RORO would enable the most efficient vehicle loading and unloading capabilities. It was estimated in 2006 that the cost to build a vessel that met the above criteria to be approximately \$25 to \$30 million.

The naval architect firm, Elliott Bay Design Group, was selected to begin working with DOT&PF to design the vessel that would fulfill the criteria in the statement of services.

As the concept developed, there were several changes made that differed from the criteria in the statement of services. One of the most important changes was the elimination of a bow door, which decreased the ability of vehicles to roll on and roll off in an efficient manner. Less time in port and more time underway was an important characteristic for a Southeast Alaska Shuttle Ferry, especially for routes that were on the edge of being completed in less than 12 hours. A second major change to the concept design was the inclusion of crew quarters, which conflicted with the "day boat operations" specification in the original statement of services. The vessel was also lengthened to 350 feet during this process. The ACF Design Study Report was completed in 2009 and included these changes to the original vision of the vessel; the cost estimate increased to \$120 million.

The 2010 Alaska State Legislature appropriated \$60 million of state general funds toward building the first Alaska Class Ferry. The appropriation matched \$68 million in Federal Highway Administration funds. Later that year, Governor Parnell "defederalized" the ACF project and the department transferred approximately \$1.5 million that had been expended for design to other state transportation projects. Defederalizing the ACF project allowed the state more flexibility to choose where and how the ACF would be designed and constructed. This aligned with the Governor's and legislature's intent that the vessel be built in Alaska for Alaskan jobs. The federal funds were later redistributed to other transportation projects in Alaska; the funds were not lost or permanently sent back to the federal government.

The 2011 Alaska State Legislature appropriated an additional \$60 million to the project. DOT&PF continued working with Elliott Bay Design Group to design an ACF that could be built within the \$120 million appropriated budget.

In parallel with the ACF development, DOT&PF in 2007 hired the University of Alaska Fairbanks (UAF) to independently analyze the Alaska Marine Highway System. The study was published in 2011 and found that there was no improvement in the overall efficiency of the AMHS by replacing the M/V Malaspina in Lynn Canal with a 350-foot ACF. When two additional ACF's of this size were deployed (with the retirement of the M/V Taku) the study found that the average annual AMHS operating subsidy increased by approximately \$6.7 million. There was an improvement in service with deployment of two 350-foot ACF's in Lynn Canal, but at a substantial increased cost that resulted in the highest annual AMHS subsidy of any alternative UAF analyzed.

In late 2011 DOT&PF management was concerned that the vessel design had diverged away from the original design concept described in the statement of services. Instead of a stern/bow RORO shuttle class ferry, the design had morphed into essentially a large Aurora Class vessel. Rumors within the ship building industry also indicated that the vessel would exceed the \$120 million budget. At this time the department began altering and removing design features in an effort to reduce construction costs.

In April 2012 DOT&PF contracted with Alaska Ship and Drydock (ASD) designating the shipyard as the Construction Manager/General Contractor for the design phase of the ACF project. ASD operates the Ketchikan Shipyard under a long-term private/public partnership agreement with the Alaska Industrial Development and Export Authority (AIDEA). As part of the contract with DOT&PF, ASD would have the ability to submit the first price proposal for the construction contract as the design neared completion. If the price ASD submits is acceptable to DOT&PF a contract would be initiated with ASD to construct the vessel. If a price could not be agreed upon the state would advertise the project for competitive bids which would allow firms located outside of Alaska an opportunity to construct the vessel.

In fall 2012 the conceptual design had reached a point where accurate cost estimates could be provided by both the naval architect and ASD. These estimates showed the total project cost at \$150-\$167 million – 25-39 percent higher than the \$120 million appropriated and more than five times the original 2006 estimate.

The department was now faced with a vessel design that did not meet the original intent of constructing a stern/bow RORO shuttle ferry, a study provided by the University of Alaska that cast doubt on the use of the vessel, and a cost estimate that exceeded the amount available for construction.

Armed with this information the department consulted with the Governor and received direction to reevaluate the direction the project had taken. The vessel design and purpose were reviewed and the department determined that going back to the original concept was the best course of action for service to the public. Governor Parnell announced in December 2012 to revert the design back to a stern/bow RORO concept which will cost less to build and operate, and better serve Alaskans.

#### **Change in Direction**

The former ACF concept was a 350-foot ferry (about the same length as the M/V Taku) with a capacity of 60 standard cars, no passenger staterooms, and a crew of 23-28 with requisite crew quarters/galley.

The stern/bow RORO ACF will be, in comparison, a smaller vessel approximately 260-300 feet in length (longer than the Aurora Class) with a standard vehicle capacity around 50 cars. It will not have passenger or crew staterooms and will operate with fewer crewmembers than the former ACF concept. This ferry will be designed with stern and bow loading capabilities and possibly port/starboard loading doors. The new ACF's will have the capability to replace the M/V Malaspina as shuttle ferries operating in Lynn Canal between Juneau, Haines and Skagway. It is expected that with its length and a modified hull form, the vessel will have similar seakeeping characteristics as the M/V Taku. DOT&PF intends to initially build two Alaska Class Ferries within the appropriated budget.

#### **Next Steps**

DOT&PF is currently amending its contract with Elliott Bay Design Group to refocus the ACF design toward the stern/bow RORO vessel concept. Because of a less complex design, the department anticipates that both the design and construction times will be faster in comparison to the previous design concept.

#### **Serving Southeast Alaska**

Beside significant construction and operating cost savings, the stern/bow RORO Alaska Class Ferry provides the greatest frequency, versatility and capacity while also serving as a backup for other vessels.

#### Frequency

One possibility is to operate two shuttle ferries to supplement mainline service in Lynn Canal. One vessel could be home ported in Haines or Skagway and the other in Juneau. The northern ACF would shuttle between Haines and Skagway. The Juneau ACF would make one or two round trips per day between Juneau and Haines. Because these vessels would have stern and bow loading capabilities and operate to a single port, the load times at each port will be significantly less in comparison to other AMHS ferries and, in turn, provide for a more efficient use of operating hours per day.

#### Versatility

Another possibility is deploying the ferries to other Southeast communities when the traffic demand requires an additional vessel (i.e. community events, Celebration). The communities of Hoonah, Tenakee and Gustavus can all be served within a 12-hour timeframe to/from Juneau.

#### Capacity

A minimum of 200 standard vehicles could be transported each day between Juneau and Haines as needed during peak times - a total capacity capable of transporting 67 percent more vehicles than the former ACF concept transporting 120 standard vehicles per day.

#### Backup

With several smaller ferries, one ferry can be deployed to other Southeast communities when the M/V LeConte is not running due to required annual maintenance or breakdowns. The ACF's will also serve as a backup vessel to one another during scheduled and unscheduled maintenance days. This will allow AMHS to continue to provide a consistent level of service with the least amount of impact to the system as a whole.

#### Cost

Preliminary analysis of total costs – capital and operating – over the life of the new vessels indicates that two smaller ACF's can yield significant cost savings over the former ACF concept. This is due to differences in operating costs of different vessels, and the opportunity to scale the use of the vessels to the very big swing in capacity required between peak and off-season.

#### DRAFT Questions and Concerns regarding the change of plan for the Alaska Class Ferry

How will the new plan address the needs for service in the Lynn Canal during periods of inclement weather, especially high seas?

Wasn't the purpose behind the MTAB process to get the design "right"? Wasn't the goal of the process to match the vessel to the need? MTAB identified the actual need and the proper solutions were articulated in the form of a concept design. Shouldn't the focus be on funding the right tool for the job, as opposed to changing the tool?

There is a renewed focus on bow doors. Please explain why bow doors haven't been used on vessels other than the Bartlett. While bow doors are said to offer great efficiency of roll-on/roll-off operation, the need to seal things properly to provide sufficient water-tight integrity may result in significant construction and operation costs. There have been a couple of serious life-taking ferry accidents in the Baltic – all related to bow door failures.

#### **Process Oriented Questions:**

Why did the State wait so long, at such a cost (+/- \$3 million), to weigh into a process that was producing something unwanted? Is there some element in the procurement regulations that needs to be addressed to avoid wasting funds in a similar manner in the future?

## Haines Borough Assembly Agenda Bill

Agenda Bill No.: 12-196

Assembly Meeting Date: 1/8/2013

Business Item Description:	Attachment	s:
Subject:	1. Ordinance 12-7	11-310
FY13 Budget Amendments		
Originator:		
Borough Manager (agenda bill by clerk's offi	ice)	
Originating Department:		
Administration		
Date Submitted:		
11/9/12		
Full Title/Motion:		
Motion: Adopt Ordinance 12-11-310.		
Motion. Adopt Ordinance 12-11-310.		
Administrative Recommendation	on:	
The borough manager recommends adoptic		
Fiscal Impact:		
Expenditure Required	Amount Budgeted	Appropriation Required
\$ see ordinance	\$ see ordinance	\$ see ordinance
Comprehensive Plan Consisten	cy Review:	
Comp Plan Policy Nos.:	Consistent:	Yes No
Summary Statement:		
This provides for the addition or amendment draft.	t of specific line items to the FY	13 budget, as described in the ordinance
An additional amendment to the ordinance is	s attached to this agenda hill for	r consideration
	s attached to this agenda bill lor	CONSIDERATION.
The Finance Committee meets on 1/8/13 at		amendments and will have a
recommendation on this ordinance during the	is meeting.	
Deferrel		
Referral:		
Sent to: Finance Committee	Date:	Marking Dakas (2002
Recommendation: Refe	er to:	Meeting Date: 1/8/13
Assembly Action:		
Workshop Date(s):	Public Hearing	Date(s): 12/11/12, 1/8/13
Meeting Date(s): 11/27,12/11/12, 1/8/13	Tabled to Date	e:

## Draft

## AN ORDINANCE OF THE HAINES BOROUGH, PROVIDING FOR THE ADDITION OR AMENDMENT OF SPECIFIC LINE ITEMS TO THE FY13 BUDGET.

#### BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

- Section 1. <u>Classification</u>. This ordinance is not of a general and permanent nature and shall not become a part of the Haines Borough Code of Ordinances.
- Section 2. <u>Effective Date</u>. This ordinance shall become effective immediately upon adoption.
- Section 3. <u>Appropriation</u>. This appropriation is hereby authorized as part of the budget for the fiscal year July 1, 2012 through June 30, 2013.
- Section 4. <u>Purpose</u>. To provide for the addition or amendment of specific line items to the FY13 budget as follows:

	(1) To appropriate \$52,250 of townsite service area general funds for design services related				
	to Oceanview / Lutak Slope Movement mitigation measures as authorized by the assembly on 10/9/2012 with resolution #12-10-407.				
011 10/9/2012	with resolution #12-10-407.			Fund Balance	
		Current FY13	Proposed	Increase /	
		Budget	FY13 Budget	(Decrease)*	
	Professional services (Lutak Slope	\$0	\$52,250	(\$52,250)	
02-04-00-7312	Movement)	, ,		•	
	iate \$14,000 of sewer enterprise				
	gy efficient T5 High Output fixtur eliver about twice the light.	es. The new II	gnts will be ab	out 50% more	
omorni and de	onto. azout twice the light.			Fund Balance	
		Current FY13	Proposed	Increase /	
		Budget	FY13 Budget	(Decrease)*	
91-01-00-7371	Maintenance & Repairs – Sewer	\$20,000	\$34,000	(\$14,000)	
	he FY13 appropriation for debt se				
	DA 1993 bond which was refinan	ced through ar	n Alaska Munici	pal Bond Bank	
Authority (AME	BBA) bond issue.			- IDI	
		Current	Droposed	Fund Balance Increase /	
		Current FY13 Budget	Proposed FY13 Budget	(Decrease)*	
91-01-00-7510	Bond Principal	\$39,275	35,275	\$4,000	
91-01-00-7520	Bond Interest	\$69,014	\$33,645	\$35,369	
71-01-00-7320		in sewer debt se	•	\$39,369	
(4) To approp	riate \$9,200 of sewer enterprise				
	refinance of the 1993 USDA bond.	runa user rec	es for boria co	disci sci vices	
				Fund Balance	
		Current FY13	Proposed	Increase /	
		Pudgot	FY13 Budget	(Decrease)*	
		Budget	TTT5 baaget	(Decrease)	

(5) To appropriate an additional \$22,000 of sewer enterprise fund user fees for solid waste (sludge and screenings) disposal which is tracking higher than originally budgeted. The increase is needed in part because of \$3,650 of bills for FY12 which were not received until September. Also the amendment is needed in part due to an accumulation of sludge at the treatment plant due to FY12's disruption in processing sludge. (At the current rate for sludge and screenings disposal the total annual budget should be approximately \$24,000 with a regular year's volume.)

				Fund Balance
		Current FY13	Proposed	Increase /
		Budget	FY13 Budget	(Decrease)*
91-01-00-7360	Utilities (sludge & screenings)	\$15,000	\$37,000	(\$22,000)

(6) To increase the areawide general fund budgeted revenue for Raw Fish Tax which came in higher budgeted:				
Current FY13 Proposed Increase / Budget FY13 Budget (Decrease)*				
01-01-09-4363	State Revenue – Raw Fish Tax	\$180,000	\$326,812	\$146,812

(7) To appropriate \$9,500 of Lutak Dock enterprise funds to add 3" minus surface material to the dock.				
		Current FY13 Budget	Proposed FY13 Budget	Fund Balance Increase / (Decrease)*
93-01-00-7230	Material & Equipment	\$5,900	\$12,900	(\$7,000)
93-01-00-7900	Work Orders – Public Works	\$1,500	\$4,000	(\$2,500)
	Total for Lutak Dock surface materials (\$9,50			

(8) To accept and appropriate \$70,000 of grant funds from the State of Alaska's Community Coastal Impact Assistance Program for Brown parcel acquisition and conservation.					
				Fund Balance	
		Current FY13	Proposed	Increase /	
		Budget	FY13 Budget	(Decrease)*	
31-01-00-4341	State of Alaska Revenue	\$0	\$70,000	\$70,000	
31-01-00-7392	Professional Services	\$0	\$70,000	(\$70,000)	
				\$0	

(9) To re-appropriate the balance remaining from a \$25,000 FY13 CIP appropriation named "pool blanket and salt generating system" for other pool structural and mechanical repairs.				
Current FY13 Proposed I				Fund Balance Increase / (Decrease)*
50-01-00-7392	Pool blanket & salt generating sys.	\$25,000	\$12,000	\$13,000
50-01-00-7392	Pool repairs	\$0	\$13,000	(\$13,000)
				\$0

(10) To appropriate \$33,500 to replace the Chilkat Center boilers. The total project cost is \$48,500 but \$15,000 has already been appropriated in FY13 in the CIP fund for "Chilkat Center Major Maintenance & Repairs." This \$15,000 would be combined with an operating transfer of \$18,500 from the areawide general fund and a re-appropriation of an unspent FY08 CIP appropriation of \$15,000 for "Chilkat Center Roof/Ramp Repairs." This project has already taken place and the Assembly was kept informed. An emergency contract was authorized by the manager due to the failure of the old boiler.

		Current FY13 Budget	Proposed FY13 Budget	Fund Balance Increase / (Decrease)*
01-98-00-8200	Transfer OUT - from General Fund	\$0	\$18,500	(\$18,500)
50-98-00-8200	Transfer IN – to CIP Fund	\$0	\$18,500	\$18,500
50-01-00-7392	Project Exp(FY08 Cctr Roof&Ramp)	\$15,000	\$0	\$15,000
50-01-00-7392	Project Expenditures (Cttr Boiler)	\$0	\$33,500	(\$33,500)
				(\$18,500)

(11) To adjust adopted in Sep	water and sewer fund revenue protection tember 2012.	rojections to ref	flect the revised	d rate schedule
		Current FY13 Budget	Proposed FY13 Budget	Fund Balance Increase / (Decrease)*
90-01-00-4401	Water Service Revenue	\$320,000	\$331,000	\$11,000
90-01-00-4408	Cruise Ship Water Sales	\$8,000	\$10,000	\$2,000
90-01-00-4600	Misc. Revenue – Water	\$5,000	\$6,000	\$1,000
91-01-00-4404	Sewer Service Revenue	\$398,500	\$405,000	\$6,500
Increased utility revenue budget			\$20,500	

(12) Adjust harbor payroll to reflect increased payroll for fuel sales. A slightly increased number of payroll hours was budgeted in FY12 to accommodate fuel sales activity. This increased number of hours was inadvertently not carried forward in the original FY13 budget.					
	Current FY13 Proposed Increase / Budget FY13 Budget (Decrease)*				
92-01-00-6110	Salaries & Wages - Harbor	\$133,520	\$138,420	(\$4,900)	
92-01-00-6115	Employee Benefits - Harbor	\$46,308	\$48,408	(\$2,100)	
				(\$7,000)	

(13) To accept and appropriate a grant from the State of Alaska Department of Environmental Conservation (DEC) in the amount of \$675,500 for Barnett Water Tank Replacement and to accept and appropriate a loan from the State of Alaska DEC Alaska Drinking Water Loan Fund in the amount of \$289,500 for the same purpose. The total project budget for the Barnett Tank Replacement is \$965,000.

		Current FY13 Budget	Proposed FY13 Budget	Fund Balance Increase / (Decrease)*
42-90-00-4341	Municipal Matching Grant	\$0	\$675,500	\$675,500
42-90-00-4341	ADWF Loan Proceeds	\$0	\$289,500	\$289,500
42-90-00-7392	Project Expenditures	\$0	\$965,000	(\$965,000)
Revenue over (under) expenditures				\$0

<sup>\*</sup> A positive amount in this column is favorable. A negative amount is unfavorable.

#### ORDINANCE # 12-11-310 Page 4

Adopted by a duly-cor , 2013.	nstituted quorum of	the Haines Borough Assembly on the da	y of
ATTEST:		Stephanie Scott, Mayor	
Julie Cozzi, MMC, Boro	ugh Clerk		
Date Introduced: Date of First Public Hearing: Date of Second Public Hearing:	11/27/12 12/11/12 01/08/13		



# Haines Borough Administration Mark Earnest, Borough Manager (907)766-2231 • Fax(907)766-2716 mearnest@haines.ak.us

January 8, 2013

**Port Development:** The final report from Northern Economics has been received and should be before the assembly at the next meeting.

Darsie Culbeck, Steve Vick and I will be attending the Mineral Round Up in Vancouver in late January. We will be meeting with officials from the Alaska Department of Transportation, the Alaska Industrial Development and Export Authority, Chieftain Metals, Dempster Energy Northern Cross, Constantine Metal Resources, Prophecy Platinum, and others.

**Borough Facility Master Planning:** McCool, Carlson and Green have presented a draft Facility report. The Public Safety Building was identified in the technical analysis as being the highest community priority services and in extremely poor condition. The administration is following up with a structural engineering assessment of that facility with PND.

#### **Lutak Dock Sale:**

**Heliskiing:** The Administration is in receipt of three applications for renewal of permits for 2013. Skier Day allocations and decisions on permit renewals should be forthcoming.

**Impounded and Abandoned Vehicle Towing**: An RFP has been written to provide towing and storage services.

#### Port Chilkoot Dock Improvements

Port Chilkoot Dock Improvements are in the design phase with 65% design complete. PND will have the 95% design complete by January 25, 2013. The job is slated to go out to bid in early March, and construction is slated to start August 16, 2013.

#### **Letnikof Harbor Upgrades**

Letnikof Harbor upgrades are in the design phase with 65% design complete. PND will have the 95% design complete by January 25. Although the funding sources differ between the PC Dock upgrades and the Letnikof Cove Harbor Refurbishment they will bid on the same contract in early March. Construction at Letnikof is slated to start October 1, 2013 at the earliest and the project should reach substantial completion in May, 2014.

#### **Chilkat Center for the Arts Building**

The addition of structural bracing was just completed in the main portion of the roof in the Chilkat Center for the Arts building to alleviate sag in some areas and increase the overall life expectancy of the structure.

#### **Barnett Pump House**

The decommissioned Barnett Pump House has been abated and is ready for demolition. The structure is ready for final demolition or re-location.

#### **Wastewater Treatment Plant Upgrades**

The Wastewater Treatment Plant will have 18 new energy efficient lights installed in February. This project will provide for a safer work environment, conserve energy, and help with the overall maintenance of the facility.

#### Lutak Road/Oceanview Slump

PND Engineers just completed survey work of the Lutak Road/Oceanview Slump area. The Borough should receive a written report and recommendations from PND Engineers in the very near future.

#### **Public Safety Building Structural Assessment**

PND Engineers will perform a structural assessment of the Public Safety Building. There are major deficiencies that need attention at the PSB, and the Borough does not want to invest money into the building that cannot be recovered if it is deemed necessary to replace the structure.

#### **High School Air Handling Units**

Murray and Associates has performed an assessment of the Air Handling Units located above the new Art Room at the High School. This assessment will allow the Borough to make an informed decision as to the next steps for the units, whether it is replacement of entire units or possibly re-building the existing units.

#### **Senior Center**

The Borough has received an estimate to replace the siding, windows, and add additional insulation in the ceiling of the Senior Center. The estimate was approximately \$60,000. This estimate was asked for to help the Senior Services and the Borough decide on the best funding options.

#### **Federal Priorities:**

Attached is a report from Brad Gilman regarding federal issues. I would like to schedule a resolution for Assembly's consideration at the January 22, 2013 meeting to prioritize some of these topics. Many of the issues in the report probably do not merit "priority" status for the Haines Borough, but it is a good document to pick items from for the resolution. I have scheduled the issue for the Planning Commission's January 17, 2013 meeting to seek input for the Assembly discussion.

To: The Honorable Stephanie Scott

The Haines Borough Assembly Mark Earnest, Borough Manager

From: Brad Gilman & Sebastian O'Kelly

Re: Washington Update

Date: December 17, 2012

- 1. Haines Harbor Project: Discussion over passing a Water Resources Development Act reauthorization has abated during the Lame Duck. This legislation will have to wait until the 113<sup>th</sup> Congress. Once these discussions resume next year, we will re-initiate advocacy for bill language to fund the rural navigation projects separately from the larger navigation and flood control projects for the Lower 48, including a waiver of the Net Economic Determination.
- 2. EPA Emission Control Area Rule: The cruise ship lobby is continuing to pursue a lower cost, legislative alternative to the EPA rule that would require vessels to switch to lower sulfur content fuel. The proposal is meeting with steep resistance from Senate Environment and Public Works Committee Chairwoman Boxer (D-CA). It will likely have to be included as a rider to a larger bill in order to pass. The Alaska Delegation and the cruise ship lobby are aware of the Borough's concerns on this issue.
- 3. Ring Of Fire Area Amendment: BLM has issued for public comment its draft EIS for the Ring of Fire Plan Amendment. Four alternatives are proposed with varying levels of helicopter access, although none of the alternatives include designation of any Areas of Environmental Concern. All requests for landing permit authorizations are on hold pending completion of the planning process. Public comments will be taken for the next 90 days. The Alaska Congressional Delegation has received the Borough's letters urging this process to be accelerated. We are available to draft any comments the Borough wishes to make on the EIS and its four alternatives.
- 4. Shakwak Project North Alaska Highway: The Highway Bill eliminated funding for the U.S. contribution to reconstruction of the North Alaska Highway. The Yukon Territorial Government is responsible for annual maintenance of the Highway as part of a bilateral agreement with the U.S., but may discontinue maintaining the road from Haines Junction to the Alaska border if the U.S. reneges on share of the costs. At the request of the Alaska Governor's Offfice, we recently met with an official from the Yukon Territory on mineral development in the Yukon and the Shakwak Project. The Yukon perceives both Haines and Skagway as the likely ports for shipment of supplies to, and minerals from, expanding mining operations. We briefed the official on the Borough's plans for development of Port Lutak and promised to keep him updated on significant developments. The North Alaska Highway could be a significant factor in

any decisions relating to maritime cargo movements to and from the Yukon mines. Congress will begin consideration of the next Highway Bill in 2013.

- **5. Coast Guard Reauthorization Legislation**: The House and Senate have come to a final agreement on legislation reauthorizing Coast Guard programs and sent the bill to the President for his expected signature. The bill includes a number of provisions important to Alaska coastal communities, as follows--
  - Incidental Vessel Discharges: The bill extends for one year the current moratorium on Clean Water Act permits for smaller commercial vessels for all discharges (ballast and bilge water, deck runoff, fish hold effluent, etc). The exemption would cover all commercial fishing vessels regardless of size, and any other commercial vessel less than 79 feet in length. EPA will continue to move forward with this regulation (expected to be released in January), but under the legislation its implementation is delayed until December 31, 2014. Efforts will continue in the 113<sup>th</sup> Congress to make the moratorium permanent.
  - TWIC: The bill requires the Department of Homeland Security and the Coast Guard within nine months to reform the Transportation Worker Information Credential enrollment and renewal process so that there is no more than one inperson visit to an enrollment center unless there are "extenuating circumstances."
  - **Survival Craft**: The bill delays, pending completion of a six month study, the requirement for carrying new survival craft on board vessels. The new requirements would not go into effect for two and a half years after the study is finished.
  - **Vessel Dockside Inspections**: The bill delays time and frequency requirements for dockside inspections for commercial fishing vessels. The initial inspection is not mandatory until October of 2015 and re-inspections are to occur only once (rather than twice) every five years following the initial inspection.
- 6. SRS/PILT: The community will receive its last Secure Rural Schools ("SRS") and PILT payments in 2013 unless the programs are reauthorized in the next Congress. Given the emergency one year extension contained in the Highway Bill, Congress will not address the SRS reauthorization in the Lame Duck session. There will need to be a strong push by rural communities next year to get these programs reauthorized given their cost and the complexities of larger budgetary and deficit reduction politics and policy. One positive development is the ascension of Senator Wyden (D-OR) to chair the Senate Energy and Natural Resources Committee. Oregon is the largest recipient of SRS funds. Senator Murkowski is the Ranking Member of the Committee and has formed a close partnership with Senator Wyden on this issue. Separately, the Forest Service has submitted a proposal for public comment that would expand community reporting requirements on use of Title III funds.

- 7. The Fiscal Cliff: As of the writing of this report, negotiations continue between the Obama Administration and Congressional Republicans regarding automatic tax increases and spending cuts (the so-called "fiscal cliff") that are scheduled to go into effect in January. Both political Parties have put proposals on the table embodying a mix of spending cuts and revenue increases over a 10 year period. There remain significant differences between the two Parties on the size and source of revenue increases. The Obama Administration is seeking \$1.4 trillion in additional revenue, most of which would come from higher individual tax rates on upper income earners. Republicans are proposing \$800 billion in increases to be drawn from capping or eliminating itemized deductions. Further caught up in this debate are Hurricane Sandy disaster relief for the East Coast and expiration of the Federal debt limit. Any prediction on the outcome at this point would be purely speculative, though the latest news reports indicate that both Parties are moving closer to an agreement. Negotiations will likely continue through the holidays and could spill over into January.
- 8. State And Local Tax Deductions: State and local tax deductions (including tax-exempt status for municipal bonds) are on the table as a source of funding in the Federal budget deficit debate, given their large impact on the Federal treasury (\$109 billion annually). Associations representing state and local governments have been lobbying hard on this issue, with localities focusing particularly on municipal bonds and pointing out their importance in infrastructure development and local job creation. Debate on this deduction is tied up with other deductions charity, mortgage interest, employer-provided health insurance that have large impacts on the Treasury.
- 9. Bypass Mail/Postal Service Reform: The House and Senate are in negotiations over a final Postal Reform Bill. We have heard that there will be no changes in the bill for the Bypass Mail Program. This is a major victory for the Alaska Delegation given the push by a number of other Lower 48 Members earlier in the session to cut or eliminate the program. The bill is not expected to include any provisions requiring closures of rural Post Offices, but it will allow the Postal Service to go ahead with current plans to cut back hours of operation at a number of offices across the country. The bill is also expected to permit the Postal Service to end Saturday mail delivery nationwide. Package delivery would remain unchanged.
- 10. FY 2014 Project Requests: The Alaska Delegation would like to be kept informed of the community's highest project priorities to see where it might be of assistance in helping secure Federal funding. While we do not see Congress rescinding the current moratorium on earmarks for FY 2014, there has recently been a vocal behind-the-scenes debate about doing so (with Congressman Young offering a proposal to amend House Republican Caucus rules to restore earmarks, then withdrawing it to be considered at a later date). The moratorium is an internal House rule. The Senate does not have such a rule but has informally accepted the moratorium for the time being while rejecting an effort to put the moratorium into law earlier this session. The Alaska Delegation strongly favors overturning the moratorium.

#### 11. Miscellaneous.

- Department of Energy LNG Study: The Department of Energy has released a study with positive findings over the potential of LNG development in the U.S. and prospects for exports. Senator Murkowski praised the report's release and encouraged the Department to facilitate export permits of LNG to new overseas markets (15 permits are currently pending). Separately, Senator Begich is drafting legislation that would establish one-stop permitting for in-state transportation of natural gas (including LNG) as well as make such projects eligible for the same regulatory and tax incentives currently applied to transnational projects.
- Small Fishing Vessel Observer Program: The Delegation has filed a written objection to the Secretary of Commerce over new observer program requirements for small vessels (under 57.5 feet) fishing for halibut, sablefish, and other groundfish in the Bering Sea and Gulf of Alaska. The Delegation argues that Electronic Monitoring would be a more cost-effective alternative.
- **Kenai Peninsula Flooding Disaster Relief**: The President has approved the Governor's request for disaster relief as a result of the severe flooding earlier this fall in the Kenai Peninsula. Funding for individual, business and community assistance through FEMA will likely be included as part as larger disaster assistance legislation being driven by the impact of Hurricane Sandy on the East Coast.
- Cook Inlet, Yukon, Kuskokwim Chinook Fishery Disaster: The Secretary of Commerce has declared a fishery disaster as a result of the collapse of Chinook salmon runs in the Cook Inlet, Yukon, and Kuskokwim watersheds. The Small Business Administration has already announced the availability of low interest loans to affected fishermen, processors and other small businesses. \$150 million is included in the Senate's comprehensive disaster relief bill for all fishery disasters nationally. A portion of this funding would go toward this fishery.
- **Japanese Tsunami Debris Clean Up Funds**: The Senate's comprehensive disaster relief bill includes \$56 million for coastline clean up from debris generated by the Japanese tsunami. Alaska would eligible for a portion of this funding.

#### HAINES BOROUGH PUBLIC LIBRARY

## Best Small Library in Amedirector's Report December 11, 2012

#### **November Statistics**

Monthly Circulation 7,216 Internet Use 2,190 Visits 5,024 Meeting Room Use: 16 groups, Total Attendance, 117

Library Programs: 40, Total Attendance: 865

## **LIBRARY DIRECTOR**Patricia Brown

LIBRARY BOARD
Anne Marie Palmieri,
Chair
Heather Lende, ViceChair
Richard Flegel, Treasurer
James Alborough,
Secretary
JoAnn Ross Cunningham
Cecily Stern
Lorrie Dudzik
Meredith Pochardt
Stacey Gala

#### **UPDATES**

The HBPL is participating in a State library grant program in conjunction with the Institute of Museum and Library Services. Through this program, we have received an "e-reader bundle" which consists of a Nook, Kindle and iPad and a \$100 gift card to be used to stock each piece of equipment with e-books. The State Library will provide training on library policies and management techniques concerning e-book readers in libraries. After the training period, the e-readers will be available for check-out.

I attended (by teleconference) the Alaska Library Network Board meeting on Dec. 5<sup>th</sup>. Three more libraries in the State have joined the ListenAlaska program, bringing the total to 33. With the addition of each new library, the cost for ListenAlaska goes down. As of June 2012, the collection holds over 14,000 titles with a statewide circulation of over 125,000. The ALN board is currently exploring new ways to bring the resources of the Alaska Digital Pipeline and SLED (Statewide Library Electronic Doorway) to library staff across the state so they are better equipped to share the resources with library patrons.

Jolanta, Erik and I have mapped out a timeline for the remainder of our Enhancement grant programs. Although, our grant proposal has the "unveiling" of the Storyboard set for next fall, we have decided to push the date up to April. This decision was based on the current emergence of the Microsoft Surface tablet and the hopes of including author Thomas Thornton in the celebration.

I've received many positive comments about the Holiday Open House. Please thank the Friends of the Library for all of their hard work when you see them.

#### Alaska OWL (online with libraries) Project:

Additional project equipment arrived. We now have a new printer/copy machine for the public. Patrons will have the ability to print, make copies or scan. During the set-up process, Erik experienced some compatibility issues with CASSIE (our public computer registration system). Our solution to the problem was to create consistent charges for printing and copies. We will now charge .35 per page, black & white or color, for printing, copies or scanning.

The Zoom/text software has been added to Internet station number 5, giving library patrons with visual disabilities broader capabilities. Simple instructions for use are next to the computer.

We applied for and received grant funds for a technology aide, a contract position of approximately 10 hours per week through June 2013. This position would be responsible for videoconference programming, maintaining OWL statistics and digital literacy classes. For those of you that are interested, the following is a link to a Gates Foundation video featuring Craig, Alaska and Linda Thibodeau, our State Librarian, sharing the OWL project and what it brings to rural Alaska. http://www.youtube.com/watch?v=G4kyFhZe2so.

The Haines Vol. Fire Dept. had three fire callouts in November. The calls were for a chimney fire, smoke in a residence and fire in a pellet stove that caused concerns for the owner. Fire callouts for 2012 total 22. The Haines Vol. Fire Dept. responded to 10 ambulance callouts in November. Calls included a fall, a chest pain, extremity cramps, general dizziness, 3 medical transports, and three medivacs Ambulance callouts for 2012 total 236. There were no SAR callouts. SAR callouts for 2012 remain at 1.

The first joint meeting for November was a business meeting followed by general Hazmat awareness training. Scenarios were given to different groups to determine how to approach certain substances safely. The ambulance training was EMT 1 skill checkoffs for members renewing their certification. Reviewing these core skills keeps us refresh as some important skills are seldom used in the field. The fire training was a review of personal protective equipment. Putting on your bunker gear and Self Contained Breathing Apparatus correctly and efficiently helps keep us safe and readily prepared for a variety of emergency responses.

Officers for 2013 remain the same with Scott Bradford Fire Chief, Roc Ahrens Assistant Chief, Vince Hansen, Secretary and Thom Andriesen, Treasurer. We thank these members for their dedicated service. Company officers will be announced in January. A general thanks goes to all that serve in fire and EMS response and the community of Haines is a better place because of you. Thanks!!!

HVFD Fire 113

Ambulance 106

**HVFD SAR** 

Total volunteer hours HVFD for 2012

HVFD Fire 1300 Ambulance 2443

**SAR 80** 

Combined 3823 Hours

Respectfully submitted,

Al Badgley

**HVFD Training Officer** 

#### Sheldon Museum Monthly Staff Report November 2012

NOVEMBER VISITOR NUMBERS	YEAR THROUGH NOVEMBER		
Local Walk-in	65	Local Walk-in	1,649
Paying Walk-in	60	Paying Walk-in	4,443
Non-paying Walk-in	14	Non-paying Walk-in	247
Children local and non-local	3	Children local and non-local	210
With School Group	33	With School Group	431
Programs/meetings at Museum	85	Programs/meetings at Museum	1,829
Off-site Activity	21	Off-site Activity	224
In tours	0	In tours	136
Web Site Hits:	367	Web Site Hits:	5,446
NOVEMBER VOLUNTEERS			
Number:	38		
Total Hours:	181.50	Hours Year Total	2.497.53

#### **USE OF MUSEUM BY OTHER GROUPS**

- Haines A cappella Women's Chorus
- Girl Scouts
- Lynn Canal Community Players
- Bear Foundation

#### **UPCOMING EVENTS/PROJECTS**

- Galleries closed Dec. 17 through Jan. 6.
- People of Haines exhibit Feb.-Mar.

#### **ADMINISTRATION and OPERATIONS**

- The Coast Guard wrote to ask for more detailed information on our financial and technical capability to fund and do the major projects such as the rehabilitation of Eldred Rock. Pam and Jerrie are working on a response.
- Gordon Whitermore will cover the drop-down door slot in the Lobby ceiling during the closed weeks
- The **Eagle Festival** was held November 14<sup>th</sup>-18<sup>th</sup>. The museum added hours and was open Wednesday through Friday 1:00 to 6:00 pm, Saturday 10:00 am to 12:00 pm and 4:00 to 6:00 pm, and Sunday 10:00 am to 2:00 pm. Mornings between 10:00 and 2:00 seemed to draw the most visitors; there were none to two visitors in the evenings.
- The Women's Club Bazaar was held Saturday November 18<sup>th</sup> during the Eagle Festival. The museum's table offered 20% off on all merchandise (except Tlingit Language Class tshirts). After the \$43 table fee, we grossed \$373.90 which is up a little from last year's \$320.95. We will report on the Community Ed Bazaar at the Board Meeting.
- The **Annual Store Christmas Sale** began December 1<sup>st</sup> and will last through the month. The discount is 20% off all merchandise (except consignment and a few other items.)

#### **EDUCATION**

- On November 7<sup>th</sup>, 18 1<sup>st</sup> Grade students and 4 adults came in to see and talk about the Salmon in the Trees exhibit.
- Gustavus school students came for the Eagle Festival and to see and talk about Salmon in the Trees. 10 students and 1 adult came to the Museum on the 15th.
- The number of participants in the Wednesday morning walks is growing. One walk was to the water plant including a tour by Scott Bradford.

#### **ARCHIVE**

Nine researchers were helped in the Archive – in person, by telephone, or by e-mail. They included:

- Assistant to a local archaeologist.
- A researcher looking for information from the movie, "White Fang."
- A researcher from the Alaska Veterans Museum in Anchorage looking for information about Chilkoot Barracks.
- A researcher looking for an obituary for a former Haines resident.
- Multiple e-mail communications with the Discovery Channel about photographs.
- Multiple e-mail communications with the Haines Borough Public Library about photographs for the Story Board.

#### COLLECTIONS

- Eric Van Stauffenberg's files from the Chilkat Center Foundation were donated.
- Ed Bryant brought in the wooden sign from the Haines Public Library that was used when the Library was in the building that is now Borough Administration.
- Kris has begun to do some of the artifact storage improvements that were identified two years ago by Intern Kathy McCardwell and Collections/Exhibits Coordinator Karen Meizner. Kris' time for this project is funded by a Grant-In-Aid from Alaska State Museum.
- Ann Quinlan brought in ceiling light covers from the old Presbyterian Church that was where the bank parking lot is now.

#### **EXHIBITS**

- Amy Gulick's nature photography based on her book, Salmon in the Trees, was up through November 24<sup>th</sup>. It proved to be very popular.
- Archaeologist Anastasia Wiley and her stone tool specialist Destiny Colocho came in for a
  visit to talk about the Museum's stone tools and a possible education project for next
  summer. During the process, it was decided that the next "Sheldon's Curios" exhibit will be
  the Museum's stone tools. There are a number of them in the permanent collection.

# MEMORANDUM

## Haines Convention & Visitors Bureau

PO Box 530

**Haines, AK 99827** 

(907) 766-2234 / (907) 766-3155 fax

www.haines.ak.us email: hcvb@haines.ak.us

To: Mark Earnest, Borough Manager and Stephanie Scott, Mayor

From: Tanya Carlson, Tourism Director

Date: 12/19/12

RE: Government Waste

Tammy took our last 19 boxes of 2012 Vacation Planners to recycling last week. The other boxes that were counted were extra coupon books. Inevitably, there are extra boxes of Vacation Planners every year. We certainly try to minimize this as much as possible but also do not want to run out or we have no information to send guests inquiring about Haines. Last year (2011) we recycled 6 boxes of Vacation Planners. The Planners were packaged 210 planners to a box thus equating to 1,260 planners recycled in 2011. When TAB worked on our 2012 Marketing Plan last January we decided to keep our run of 35,000 planners and push more to Trade Shows. A different printer was utilized with the 2012 Vacation Planners and they package 200 planners to a box thus equating to 3,800 planners that were recycled last week.

The CVN had been handling the design and printing of the Vacation Planner for a number of years. In FY11 this cost the Haines CVB \$25,000. In FY12 Haines CVB budgeted \$30,000; the increase was to account for redesign aspects and inflation. Our 2012 Vacation Planner underwent many changes. The RFP for printing removed the design component and asked strictly for printing criteria. Taking the design aspect out of the RFP the CVN decided to not bid on the project. In the end, Publication Printers out of Denver, Colorado won the bid. They printed 35,000 Planners on the same paper grade that was currently in use and included shipping for \$9,722.52. This saved the Haines CVB nearly 2/3 of what was budgeted.

We also utilized Publication Printers services to create an online magazine version of our Vacation Planner. This enabled guests to easily download a digital copy of the Haines Vacation Planner, from our homepage, without ordering a hard copy. This proved most beneficial and, I feel, helped account for the extra Planners left over this year. Previously there was a very obscure PDF of the Planner available on the website. In 2011, a total of 5,081 people viewed the PDF. With an easier to access and downloadable version available in 2012, 9,001 people viewed the online magazine (this does not include December stats). As we move ahead to our upcoming Marketing Plan meeting in January to plan the FY14 Marketing Plan / Budget we will look at decreasing our print run by 5,000 copies. The preliminary estimate for savings from Publication Printers will be around \$700 or a total bid of \$8,951.08.

The need to create a new Vacation Planner each year is very important. Not only do dates need to be updated for Haines events but there are also business listing updates that need to be made each year. Every year there are new businesses, others that close shop and some that add to their offerings. In the 2013 Vacation Planner there were 54 listing changes, 11 new listings and 10 listings that were deleted. This is true for every community that has a Vacation Planner. With numerous changes each year it would be a disservice to our local businesses and guests to not offer the most up to date information. These changes are also not anomalies for just this year; the 2012 Vacation Planner had 61 listing changes, 26 additions and 9 deletions. There are very few communities in the industry, as a whole, that offer multiyear Planners for this reason.

From: "Norm" < <u>fortseward@yahoo.com</u>> **Date:** December 17, 2012, 8:58:41 AM AKST

To: "Stephanie Scott" < <a href="maintenance.ak.us">sscott@haines.ak.us</a>>, "Mark Earnest" < <a href="maintenance.ak.us">mearnest@haines.ak.us</a>>

**Subject: Government waste** 

Mayor Steph,and Mark, Suzanne and I went to HFR yesterday to drop off some items and I found 22 boxes of 2012 Haines visitor guides there. That totals nearly 5000 brochures at roughly .50 each, or \$2500 worth. I don't want to micro-manage the department, but I think this is an extreme waste. Somebody needs to start thinking outside the box(es). The only two things that need to be changed with these brochures is a sticker(2-3) cents for the date and an insert for the dates of the events page, and you have a brochure that still has good maps, pictures and listings of businesses, good for another season. I believe the budget for the printing of these brochures is about 30k. Maybe we need to look at cutting it back during budget time, or the department needs to not print so many. Or is the department discontinuing this program? Cheers....Norm.,..,

9*A* 

# Tourism Advisory Board Meeting Agenda / Meeting Minutes

#### Wednesday, November 14 - 9:30 am

Meeting Call to Order: Ross Silkman – President – 9:34 am

Roll Call: Present Jason Gaffney (phone), Jeff Butcher (phone), Barb Mulford, Karen Hess, John Hunt

**Absent** Judy Heinmiller

Also Present Tanya Carlson, Rhonda Hinson

Approval of excused / unexcused absences: Hunt motioned to excuse Heinmiller, Hess seconded; all in favor.

Approval of Agenda: Hess motioned to approve agenda and consent agenda, Hunt seconded; all in favor.

\*Approval of Minutes: September 27th and October 15th, 2012.

**Public Comments:** N/A

Chair Report: N/A

**New Business:** Seat Recommendations

Butcher has sent his request to remain on the board. Hunt is moving on. Rhonda Hinson has submitted her application to serve on the TAB.

Hess motioned to accept Butcher's letter to remain on the TAB, Gaffney seconded; all in favor.

Hunt requested to hear a bit about Hinson. Hinson grew up in Haines. She and her husband own a shop featuring Alaska items and local artists. Hess motioned to recommend Hinson be appointed to the TAB, Hunt seconded; all in favor.

Recommendations will be passed on to the Mayor and Manger for the next Assembly meeting.

#### AMHS 50th Anniversary Celebration

2013 is the 50th Anniversary for AMHS. May 5th is the scheduled date for celebration with AMHS in Haines from 9 am -1 pm. Many things will be happening over the course of the year. A different part of the historical timeline will be highlighted each month on their website, beginning with the Chilkat and Chilkoot in January. KTOO had a documentary that begins airing in February. Parts of this will air on PBS nationally.

Carlson would like to have the dancers from Klukwan at the event and possibly a couple of raptors from the Bald Eagle Foundation. Hunt thought we should contact some dignitaries to take part; past captains, workers, etc. He also thinks the Museum should be involved. The

event will be with the Malaspina which will be on a special run out of dry dock before beginning regular service.

Hinson said it's also about the time when history day is going on. She thinks that maybe we should check with them and see if they have any information or are doing anything in conjunction.

#### Whitehorse Festival of Trees

This is an event that is a fundraiser for the Yukon Hospital Foundations. The event is 10 days where the trees are on display. News media come out and general public view the trees during a series of events over the 10 days. The trees are then auctioned off at the end. Carlson said Haines will be sponsoring a tree with the theme "Haines Outdoor Adventures". The tree focuses on outdoor activities and included a weekend adventure in Haines package. This is great publicity for Haines.

Carlson plans on planning ahead for next year and purchasing items after this Christmas holiday.

#### PC Dock, Phase 2 Plans

Silkman recapped the joint meeting that took place for Phase 2. Carlson described what was going to take place for those on the phone. Hunt asked where the golf cart would be located without phase 3. Carlson could not answer this question.

Hess asked when they would begin this construction. Carlson said the plan is August 15 or 16. Mulford mentioned that a lot of the discussion centered on expanding the trestle leading up to the ramp for the lightering float as a cuing area for the fast ferry.

Gaffney would like the draft plan emailed to him if possible. Carlson will work on this. Carlson reminded everyone that this is the 30% plan so now is the time for changes if there are any suggestions.

Silkman suggests having Carlos come to a meeting to and explain some of the details and any changes that have already taken place.

#### Old Business: Funding Support via Fund 23

Silkman spoke with the Mayor about this and she is against this idea believing it would take the funding out of the public process. Carlson feels that we should schedule a meeting that the Mayor can attend so we may explain what TAB is looking at a little more clearly. Carlson believes that this is not being taken out of the public process and if TAB can lay out exactly what the process would be maybe the Mayor can reconsider or help TAB see her point of view.

Part of how this came about is so organizations can show public support when applying to grants. Currently the process provides funds too late to count for many grant applications. Hess asks if a letter had been submitted regarding this. Gaffney drafted one to the Mayor and Manager a few months back but did not address everything.

Hess recommends that Carlson set up a special meeting with the Mayor and Manager regarding this subject at a time that works in both their schedules. Mulford would like to see the history of Fund 23 to see what has been funded over the last 5-7 years. Mulford would also like to see a time frame from the Fair for grants with a breakdown of how much money they could get if they were earlier funds from the borough to leverage.

#### PC Port Tariffs

At a joint meeting back in October was there be a 5% increase each year over the next 5 years on the PC Dock face. The lightering float was to be tabled until March for more information to be gathered. Since then the Finance committee has taken the subject and decided to proceed with a 10% increase every year for the next 5 years. Both would take place beginning in 2014.

Mulford feels that more information needs to be brought out pertaining to the economics of that dock. She is frustrated that another committee has come in and disregarded what has come out of two other committees and that her time has been wasted. It was brought out that this was the second year that it has been postponed ad that should not get postponed again. Mulford would also like to see the exact expenditures for this dock as well. Hunt asked if there was currently a one-off rate for vessels versus those who utilize it regularly as well as those who schedule it ahead versus last minute.

Mulford would like to see what the operating costs are for the PC dock, with the Lightering Float separated out, what the enterprise fund needs, what the possible operating costs will change to after the replacement, etc. She would also like to see what the income is for that dock to the town in terms of possible sales tax, employment, etc. Mulford and Silkman feel that there is no breakdown or evidence to show 5%, 10%, etc for what the dock needs in increase.

Carlson said she is working on the economic impact of the dock. The Harbor Master would be the one to look at the operational costs. Carlson reminded everyone that the Finance Committee is a committee from/of the Assembly and therefore trumps the advisory committees. This topic will be introduced as an Ordinance in the upcoming Assembly meeting.

Gaffney said a letter to the Assembly should include the businesses that are affected by tourism and the average dollars spent by tourist to our town. Carlson added that it should stay brief, to the facts and keep in mind that they have already done a compromise. Present the facts why this decision needs more time before being made.

Hess motions that Silkman draft a letter to the Assembly citing the necessity of the fast ferry to Haines and that the tariff increase should remain tabled until March. Hunt seconded; all in favor.

#### Dock Music Encore

The Mayor has heard from a member of the public regarding the funding of music on the pier. The person felt that music should also be paid for in downtown to promote business and attract people to/in the downtown corridor. The downtown businesses got together and paid for this during the last season. Last summer the cost of \$150 per day. TAB has not yet discussed what rate would be spent for 2013. Silkman said it could be considered a conflict if we pay to have

musicians play downtown and then not in Dalton City or the Fort. He feels that tourism should pay for the music on the dock and leave it to the business owners in their various areas of town to pay for music in their area should they want it. Mulford agrees, she also commented about businesses that are on the edge of the downtown group that are continuously left out and would also not necessarily benefit from this.

Hunt commented that as one of the musicians that played this past summer, he felt it was appropriate that they played downtown because it was the downtown merchants that paid for them. Gaffney recommends that they play at the pier for a longer period. It is a welcoming experience for the guests and the purpose of having the music. Carlson agrees that for what tourism funds it should just be at the pier. She would also like to see if we could pay the Klukwan dancers to help ensure they are on the pier every week.

Hess motions that tourism pay for music at the pier, Gaffney seconded; all in favor.

#### **Directors Update:**

#### Alaska Media RoadShow

Went exceeding well compared to last year. Two journalists are already confirmed for next year and there a couple other prospects that may be coming.

#### FY14 Marketing Plan

FY 14 planning is coming up. Last year TAB met in January to discuss the Marketing Plan. Mulford asked if Carlson could provide a list of all possible conventions even if not currently attending.

TAB set up a special meeting to develop the FY14 Marketing Plan on January 8<sup>th</sup>, 10:00 am in the Library.

#### Vacation Planner

Carlson is finishing up the Planner to get it to the printer. She presented the 2013 cover. No content inside is changing only photos. Hess recommended one minor alteration to the cover image; Carlson will take care of.

#### **Board Comments:**

Hunt thanked everyone for six years and welcomed the new board member. He's seen a lot of things happen over the years. Gaffney thanked Hunt for all of his efforts.

Mulford wanted to say that Takshanuk Mountain Trail is closed for the winter, please remind people you may know who frequent that it is private property. Mulford tried a liability waiver and user fee last year and only a few people complied, many others called with complaints. There is a certain amount of cost involved to maintain that trail and it won't work at this point in time but is something she hopes to look toward in the future.

Set Next Meeting Date: Tuesday, December 11, 2012 - 9:30 am

Assembly Chambers, Safety Building (Changed to the Library)

There was no motion to adjourn. Meeting ended at 11:26 am.

#### Haines Borough Public Library Approved Meeting Minutes 11/14/12

Call to Order: 4:02pm

Present: James Alborough, Meredith Pochardt, Patty Brown, Dick Flegel, Heather Lende, Cecily Stern, Anne Marie Palmieri, Lorrie Dudzik, Stacy Gala, Jo Ann Ross-Cunningham.

Additions or Revisions to Agenda

#### Consent Agenda Items

The following items are consent items for final action to be taken on all by a single vote. Any item may be removed for separate consideration if necessary.

Approval of Agenda Approval of Minutes 10/16/2012 Director's Report

M/S Dudzik/Alborough to approve the agenda. All approved.

Financial Report

Treasurer's Report for October (Dick)

Checking: \$23,858.21 Savings: \$14,196.30 CD: \$20,503.81

Dick summarized the state of our accounts vis-a-vis the Borough accounting department and the question of unencumbered funds. Further clarity is needed about the library maintaining a cash reserve.

Applying the unencumbered funds to the library's capital needs might be the clearest way to solve the situation.

Suggestion to reinstate an assembly liaison. Heather to check.

#### **Business**

Building Committee Update - James

The building committee met to review storage options and agreed that a standalone building is not the best plan. Of the existing plans, we agreed on the plan that was least disruptive to the building's roofline. We also agreed that the fuel tank was not a limiting factor. Next step is to clarify lot lines with the borough and to get new drawings from Larry Larson. Delta Western would need to inspect and provide an opinion.

Patty met with Carlos and he is keen to be involved in the planning. Need a conference call with Larry, the building committee and Carlos. Patty to arrange.

Department/Component Unit and Government Accounting Standards – a follow-up to Borough audit discussions – Anne Marie

Anne Marie summarized the recent meeting with Jila, Stephanie, Mark Ernest, Dick, Patty and Anne Marie.

A list of questions will be submitted to the Borough attorney to clarify the question of whether the library is a Borough department vs. component unit.

The question of board autonomy does have ethical implications around censorship, collections, etc. It is possible to be a department, financially, while retaining independence.

#### Action items:

- Draft a letter laying out our position and our questions to be delivered to Mark Ernest. Committee to meet to draft the letter. Heather, Jo Ann, Dick to spearhead the committee. Meeting at 3pm Friday 11/16.
- Get Board insurance. Patty to research board insurance.

#### Bill payment procedure

Patty has introduced some new procedures for paying bills. Vouchers are being attached to bills (and are reviewed and signed by the check signers).

#### Beginning promotional efforts - James

The websites are showing random promo pieces.

Joint staff/board committee needs to meet to set up a campaign, newspaper ads, etc. Patty will send out some invites and the date will be determined.

#### Lighting committee update – Stacey

The lighting committee has taken the event in a new direction. No fee is very popular. Decorating party from noon to 4pm on Saturday. Board is being asked to provide foods for the actual event.

#### December hours

Open at noon on December 5th.

Close at 5pm December 26-31st.

#### Other

Radio

November 16 (James), November 23 (Stacy), November 30 (Dick)

#### **Board Comments**

Heather congratulated Patty and staff on the high rating the library received in the recent Borough survey.

#### Director's Comments

Gates Foundation grant needs an application. Board can help with crafting responses.

Next Meeting: Tuesday 12/11 at 4pm

Adjournment: 5:30 pm

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James Alborough 907-766-2082



# Haines Borough Planning Commission Meeting November 8<sup>th</sup>, 2012 MINUTES Approved

- 1. <u>CALL TO ORDER/PLEDGE TO THE FLAG</u> Chairman **Goldberg** called the meeting to order at 6:30 p.m. in Assembly Chambers and led the pledge to the flag.
- 2. <u>ROLL CALL</u> Present: Chairman Rob Goldberg, Commissioners Rob Miller, Lee Heinmiller, Don Turner III, Danny Gonce, Andy Hedden, Robert Venables.

Staff Present: Xi "Tracy" Cui/Borough Planning and Zoning Technician

Also Present: Borough Manager Mark Earnest, Karen Garcia (CYN), Bill Kurz.

#### 3. APPROVAL OF AGENDA

<u>Motion</u>: **Venables** moved to "approve the agenda as amended," and the motion carried unanimously.

4. APPROVAL OF MINUTES - October 11th, 2012 Regular Meeting

<u>Motion</u>: Heinmiller moved to "approve the October 11<sup>th</sup>, 2012 Regular Meeting Minutes." It was amended to correct the October 11<sup>th</sup>, 2012 Regular Meeting Minutes to remove the second paragraph in 10D3, and to correct "James Smith" with "Jean Smith" in the Chairman Report. The motion carried unanimously.

- 5. PUBLIC COMMENTS None
- 6. CHAIRMAN'S REPORT -

**Goldberg** mentioned that he received an email from Mr. Wilfong who is from ADNR. In the last regular meeting, the Planning Commission questioned whether the zoning ordinances would protect property owners from subsurface exploration on their properties if a mining claim is approved by the state. Mr. Wilfong said that zoning ordinances have no protections to the property owners from subsurface exploration on their properties.

#### 7. STAFF REPORTS

Cui reported recent permitting and enforcement activity.

- 8. PUBLIC HEARINGS None
- 9. UNFINISHED BUSINESS None
- **10. NEW BUSINESS** 
  - A. Historic District/Building Review None
  - B. Haines Borough Code Amendments Park Governance

**Earnest** mentioned that there is no general section or chapter of "Park Governance" in the Borough code. Borough Assembly introduced a draft ordinance to generally provide for the governance of Borough parks. It is required for Planning Commission to review, provide suggestions and make comments.

**Goldberg** mentioned that the Parks and Recreation Advisory Committee (PRAC) was having meeting at the same time, and discussing the same topic. Ron Jackson said they have suggestions that need to be added into the proposed draft.

**Goldberg** suggested adding "park is specifically designated for recreation use" in Chapter 12.30.010.

<u>Motion</u>: Gonce moved "to postpone this item until the Planning Commission receives the comments from PRAC," and the motion carried unanimously.

#### C. Project Updates – None

#### **D. Other New Business**

#### 1. Rezoning Survey

**Goldberg** mentioned that a draft letter to property owners explaining the results of the survey is ready for Planning Commission to review. Most property owners who live on the Eagle Vista side of Chilkat Lake Road prefer a change of zoning from General Use to Rural Residential or Rural Mixed Use; while the majority of property owners on the west side of Chilkat Lake Road prefer to stay in the General Use Zone.

**Goldberg** suggested standardizing the Borough zoning code for the different zoning areas. For example, RR-3 means Rural Residential Zoning with three acres minimum. Goldberg said he would start to work on the language of zoning code.

**Venables** suggested removing "The results were interesting" in the letter. More mirror changes had been made.

The commission agreed to discuss a possible change of zoning for Eagle Vista at its January meeting.

#### 2. Chilkat River Bridge

**Earnest** stated that the resolution will ask Governor, the Legislature, and the ADOT&PF to support the Chilkat River Bridge project. The Chilkat River Bridge will be designed and constructed to the highest possible industrial standard. The Chilkat River Bridge will be designed for 75 years of bridge life, and the Haines Highway will be designed for 20 years of highway life. These upgrades will provide a safe, consistent and efficient roadway. The Haines Highway Chilkat River Bridge project is very important for economic development opportunities that could provide a benefit to the Borough.

<u>Motion</u>: Miller moved to "Recommend the Assembly to adopt this resolution." The motion carried unanimously.

#### 3. Federal and State Priorities

**Earnest** gave a briefly introduction to the FY 2014 Legislative Priorities list. Earnest mentioned that this resolution is adopted annually in advance of submitting legislative funding requests for capital projects. Some projects need to be reviewed by engineers to estimate the cost. The Legislative Priorities list is based on history. It can be re-ordered and re-numbered. He also mentioned that the list was a working draft. A more detailed priorities list will be finished soon.

**Venables** suggested that the list needs to be refined and in compliance with the Comprehensive Plan. He mentioned that the list is more focused on the townsite development, and that areas outside of the townsite need to be considered as well.

Further discussion ensued.

#### 4. Downtown Parking

No concrete recommendations had been made.

#### 5. Lutak Road Slump Area

**Earnest** said that currently the Borough has not received recommendations from PND engineers about the surveys within the slump area. The possible ordinance and reports/recommendations will be ready for the next regular planning commission meeting.

#### 6. DOT&PF Sidewalk Project

**Turner** questioned if the state road maintenance crew will take the responsibility of maintaining and clearing the snow on the new sidewalk.

**Venables** recommended a wide shoulder level with the road instead of a raised sidewalk with a curb. If that is not possible, a rolled curb instead of a stepped curb would be preferable.

The Borough Manager **Earnest** will speak to DOT and pursue these issues.

**Turner** mentioned that the area to the south of the road is a swamp. He raised concerns about the drainage issue. If the ditch along the north side of the road is filled to create the sidewalk there must be adequate drainage for surface water to flow to the swamp.

**Heinmiller** mentioned that currently the caution lights do not extend to the area in front of the school. The lights should be timed to come on earlier, as students are walking to school before 8am, and also at lunchtime.

#### 11. COMMISSION COMMENTS - None

#### 12. COMMUNICATION

- **13. SET MEETING DATES** The next Regular Planning Commission meeting is scheduled for 6:30 p.m. on Thursday, December 13<sup>th</sup>.
- **14. ADJOURNMENT** 8:01 p.m.

#### SHELDON MUSEUM AND CULTURAL CENTER, INC Board of Trustees Meeting Minutes Tuesday, Nov. 13, 2012, at the Sheldon Museum

**CALL TO ORDER:** 11:38 p.m. by Acting Board President Jim Shook

**ATTENDANCE: BOARD** – Michael Marks, Lorrie Dudzik, Diana Pyle, Anastasia Wiley, Bob Adkins, Dave Pahl, and Jim Shook, Pam Randles, Janine Allen: **STAFF** – Jerrie Clarke, Scott Pearce, Blythe Carter: **BOARD LIAISON** – None **VISITORS** – None

**ADDITIONS TO THE AGENDA:** Under Old Business – Slogan; Under New Business – Janine will not seek reappointment to the Board.

**APPROVAL OF AGENDA:** M/S Pam & Anastasia, approved as amended.

**APPROVAL OF MINUTES:** M/S Michael & Pam – approved unanimously

**CORRESPONDENCE:** None

**STAFF REPORT:** Add 156 volunteer hours to printed staff report.

- Scott Pearce, Education Coordinator, reported that he and Museum Aide Stacie Evans have started a series of Wednesday trail hikes in cooperation with the Takshanuk Watershed Council, Lynn Canal Conservation, and Haines Borough Public Library. While aimed primarily at school-age children, adults are welcome also. During these hikes history, natural resources, biology, and ecology are stressed.
- Blythe reported that she is learning website development, so she can make SMCC's website more appealing, flexible, and attractive. She will also be able to update the website more frequently. A discussion followed regarding whether this was the best use of Blythe's time, or would it is better to hire a professional web designer. Comment was made that the director of the Sheldon Jackson Museum (*Sitka*) thought our site was much superior to their own. Consensus was that Blythe should continue with her efforts.

**FINANCIAL REPORT:** Jerrie gave the Board a report in a new simplified format. Much easier to understand. One figure that should be added is "cash on hand".

• CVHS re-investment was tabled until Jerrie can e-mail the Board the exact amount we have available for re-investment.

**COMMITTEE REPORTS:** Governance Committee meeting was cancelled and will be rescheduled.

**OLD BUSINESS:** Continued discussion of plans for the new sidewalk railing. Work cannot commence now until spring, due to weather. There is still a question about who will pay for the work. Dave will continue to work with the borough about this.

 $\bullet$  Leo Jacobs Totem Pole – M/S Michael & Diana that we not consider purchasing the Jacobs pole. In our letter we should suggest that it be offered to Klukwan for their Cultural Center.

- Bob presented the guidelines for Starbuck's Charitable Giving Programs. One involves matching grants given by local Starbucks outlets, which we don't have. The other involves teen and youth literacy. Our Tlingit Language program may fit there. Jerrie and Bob will explore further.
- Blythe presented several different examples of slogans and their possible uses. M/S Michael & Dave that we use "Preserving Our Past For The Future" as a trial slogan. Unanimous.

**NEW BUSINESS**: Diana and Janine's Board positions are expiring at the end of November. They both regretfully declined to seek re-nomination. Hearty thanks to both for their time and effort. Dave has re-applied for the Board.

- •Jim is still compiling a list of possible corporate donor/sponsors. E-mail him if you have any suggestions.
- The Fort Seward Lot property tax was discussed, with an eye to keeping our tax-free status. Suggestions included educational programs on the lot, an archeological dig on the lot, small house for museum aides on the lot. Also suggested was renting the lot for the amount of the annual property tax (approx. \$225)
- Haines as the site of the 2013 Museums Alaska/Alaska Historical Society Conference in September has been confirmed. We're responsible for local logistics, receptions, housing, and arranging for some catered meals. We will also be involved with advertising, tours, transportation, and entertainment. This will actually be a fund raiser for the SMCC.
- Board Training Foraker has a 2 hour training video program for \$200. After discussing whether to involve other local boards, and whether to use Hakkinen Foundation funds, it was M/S Dave & Anastasia that each Board member contribute \$20 and have the Foraker training program for our Board.

**BOARD DISCUSSION:** Each Board meeting agenda will contain a report from Jerrie regarding progress on the improvement document. Progress on Retreat Notes will be discussed at next month's meeting. The last three items on the improvement document have been pushed back a month each. Jerrie's "Friday E-Mails" will keep us apprised of weekly events, etc.

#### **COMMITTEE MEETINGS:**

- Governance Committee Monday, Nov. 26, 2012 at 1:00 p.m.
- Finance Committee Meeting to be re-scheduled due to Diana's resignation.

#### **NEXT BOARD MEETING:**

• Regular Board Meeting -Tuesday, Dec. 11, 2012, at 1:00 p.m.

**MEETING ADJOURNED** at 1:42 p.m.

Respectfully submitted,

**Bob Adkins**, secretary

#### Haines Borough Fire Service Area #1

#### Friday 11/30/2012 - Approved

#### Meeting convened 7:05pm

J.R.Myers, Richard Buck and Alan Heinrich present, constituting a quorum. Kathleen FitzWilliams, an applicant for the vacant board seat was also in attendance. There was one other person, Danny Gonce, who joined the meeting as a public observer about half-way into the meeting.

Alan chairs meeting. J.R. Takes minutes.

Richard moved to approve, Alan second, All in favor, 10/26/12 minutes approved.

Applicant for vacant board seat: Kathleen FitzWilliam, LCSW

See resume. Kathleen was introduced and questioned by the board members. She told the board about her background and reasons for wanting to serve on the board.

J.R. Moved to recommend Kathleen to the Borough Assembly to fill the remaining board vacancy. Richard seconded. All were in favor. The recommendation will be forwarded to the Borough Clerk.

Alan presents his findings of concerns expressed at last meeting which he researched. See his e-mail. There was an informal board discussion.

- 1. Public Safety Building: Borough Public Safety building report: "Nothing else in Alaska like it." Various options presented.
- 2. Storage at Lutak: Old Howe Fire Engine is there. There is hose with brass fittings. The area is not suitable for anything else at this time. The building could be cleaned out relatively quickly.
- 3. Lutak residents insurance rating reduction possibilities.
- 4. Sinking fund for equipment purchases does exist.
- 5. Cost of Dispatching system.
- 6. Overtime Pay: Personnel issues, not our purvue.
- 7. Mutual Aid Agreement with Klehini, there is no formal agreement.
- 8. Should the Borough advertise the Differential Tax Rate Reduction. All seem to think this is a good idea.

Alan believes that the Borough communications system is the biggest immediate problem. It is cobbled together and has many problems. There is talk of a grant to get an upgrade to the system.

Alan moves to make a request of the Borough Manager and Assembly to establish a thorough professional review of our current Emergency Communications System to determine system deficits, to include a corrective plan of action and time line for completion. Richard seconded. All in favor, motion passes.

Alan discusses the problem of recruiting young people to become firefighters. Kathleen volunteers to contact the school, and do other research and outreach as needed. We need to increase public awareness of the problem of an aging volunteer fire fighting pool. The average age is 47, according to Alan. He will ask the Fire Chief to bring up the issue again during his next weekly radio program. Alan will also invite the Fire Chief to our next meeting. Alan will be leaving 01/01-03/08/13.

We all agree to revisit board officer elections after board is completely filled.

Next Meeting: Friday 12/14/12 at 7:00pm in the Borough Assembly Chamber. It was necessary to change the date of the meeting to comply with 72 hour public notice, and location, as there was a scheduling conflict at the Borough Assembly Chamber.

Alan moved to adjourn, Richard seconded.

Meeting Adjourned: 8:12pm

Richard moves, Alan seconds. Minutes approved as corrected.

Member Reports: Alan: He has invited Fire Chief Scott Bradford to our meetings, but he has not been able to attend. He was to discuss communications, but then the newspaper article came out and repairs seem to have been made. The Mayor had been informed of our concern with the emergency communication system. Alan has yet to discuss recruitment efforts with the Fire Chief. He may meet with the Fire Chief after the holidays.

Richard: Nothing to report.

Kathleen: Reported previously to J.R. That she had contacted the school regarding student education and recruitment, specifically she spoke to Principal Michelle Byers. There is no program in place in the school at this time, however, interest was generated, and the discussion will continue.

J.R.: I spoke with the Klukwan Fire Chief, Donald Hotch, Jr., he is interested in working with us.

Old Business: Communications System, this appears to be fixed at this time...

**New Business:** 

Klukwan Mutual Aid Agreement; There are many pros and cons. We would like to reach out and establish better communications and relations between our fire departments. It is agreed that this might begin with a standing invitation to the Klukwan Fire Department to join any trainings being provided by the Haines Volunteer Fire Department. We will continue to pursue this rapport building.

Officer Elections: It was agreed to postpone until all members are present.

Budget: We agree that we should be reviewing the budget, and advocating for the needs of the Volunteer Fire Department.

New Fire Hall location: The Mayor has contacted Alan to get input. A general discussion ensued. Several points were, Alan will contact the Fire Chief and the Mayor to convey our thoughts about this prospect.

Mud Bay & Lutak Fire Service: A general discussion ensued. It is recognized that the residents of these communities desire fire service. The Board will take these concerns under advisement.

Richard will research whether or not it would be possible for homeowners in these areas to obtain a credit for home fire suppression efforts. He will contact the Borough Clerk for advice on how to proceed.

Public Comment: There was none.

Set next meeting: Friday 12/28/12, 7:00pm, at the Haines Borough Assembly Chambers.

Adjourn: 8:13pm

J.R.Myers, Acting Secretary

HBFSA#1

Fire Service Area #1 Board 12/18/12 Minutes

Convene Meeting: 7:07pm Roll Call: J.R.Myers, Richard Buck, Alan Heinrich, Kathleen FitzWilliam was excused due to illness. A quorum being present, the meeting proceeded. Alan acted as Chair, J.R. as Secretary.

Approval of Minutes from previous meeting. Richard moves, Alan seconds. Approved as corrected.

Member Reports: Alan: He has invited Fire Chief Scott Bradford to our meetings, but he has not been able to attend. He was to discuss communications, but then the newspaper article came out and repairs seem to have been made. The Mayor had been informed of our concern with the emergency communication system. Alan has yet to discuss recruitment efforts with the Fire Chief. He may meet with the Fire Chief after the holidays.

Richard: Nothing to report.

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Old Business: Communications System, this appears to be fixed at this time.

New Business:

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Public Comment: There was none.

Set next meeting: Friday 12/28/12, 7:00pm, at the Haines Borough Assembly Chambers...

Adjourn: 8:13pm

J.R.Myers, Acting Secretary

HBFSA#1

Minutes approved 12/28/12

#### Haines Borough Assembly Agenda Bill

Agenda Bill No.: 12-115
Assembly Meeting Date: 1/8/13

Business Item Description:	Attackmenter			
Business Item Description: Subject:  Lutak Dock Land Sale to ADOT&PF Originator: Borough Manager (Agenda Bill by Clerks Office) Originating Department: Administration Date Submitted:	Attachments:  1. Ordinance 12-07-299 - current draft 2. 12/12/12 Final ADOT Offer Letter 3. 12/05/12 ADOT Letters offering to purchase 4. Project Drawings			
12/31/12; initially 6/18/12				
Full Title/Motion:  Motion: Adopt Ordinance 12-07-299.				
Administrative Recommendation: The borough manager recommends this.				
·	Budgeted Appropriation Required			
\$ \$	\$			
Comprehensive Plan Consistency Review	v:			
Comp Plan Policy Nos.: Refer to Page 129	Consistent: ⊠Yes □No			
Summary Statement:  The ADOT&PF made an offer for a portion of the Lutak Dock owned by the borough; borough property needed for the Haines Ferry Terminal Improvements project. The ADOT&PF requested fee simple interest in Parcel 3 (Tract C), a permanent slope easement for Parcel E-4 (Tract A), and a temporary construction easement for Parcel TCE-4. The Planning Commission reviewed it on 7/12/12 and classified Parcels 3 & E-4 for sale and recommended the assembly approve the easement requests. HBC 14.20.100 gives the assembly authority to approve by ordinance a negotiated sale of borough land. The ordinance has had two public hearings, and on 8/28/12, adoption was postponed at the request of the borough manager because additional information had come to light that could increase the sales price. The negotiations are now concluded, and the only change is that the sale amount increased from \$302,000 to \$338,400. The ordinance is ready for adoption.				
Referral: Sent to: Planning Commission Recommendation: Approve Refer to:	Date: 6/26/12 Meeting Date: 7/12/12			
Assembly Action: Workshop Date(s): Meeting Date(s): 6/26, 7/24, 7/31, 8/28/12, 1/8/13	Public Hearing Date(s):7/31, 8/28/12 Tabled to Date:			

## HAINES BOROUGH, ALASKA ORDINANCE No. 12-07-299

Draft

An Ordinance of the Haines Borough Assembly approving the sale to the State of Alaska, Department of Transportation and Public Facilities ("ADOT&PF") of Parcel 3, Parcel E-4 and Parcel TCE-4 as described and identified by ADOT&PF for the Haines Ferry Terminal Improvements project (state project #68433).

#### BE IT ENACTED BY THE HAINES BOROUGH ASSEMBLY:

Date of First Public Hearing:

Date of Second Public Hearing:

07/31/12

08/28/12

- Section 1. <u>Classification</u>. This ordinance is for the specific purpose of approving a sale of three specific parcels of land to ADOT&PF and shall not become a part of the Haines Borough Code of Ordinances.
- Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.
- Section 3. <u>Effective Date</u>. This ordinance is effective immediately upon adoption.
- Section 4. <u>Purpose</u>. This ordinance authorizes the manager to conclude arrangements for the sale of the parcels identified and described in the attached Memorandum of Agreement and conveyance documents for Parcel 3, Parcel E-4 and Parcel TCE-4, upon the terms and conditions described in the Memorandum of Agreement.
- Section 5. <u>Authority</u>. This ordinance is adopted under the authority granted the Assembly by HBC 14.20.100 to approve the sale of borough land by negotiation.
- Section 6. <u>Approval</u>. The attached Memorandum of Agreement between ADOT&PF and the Haines Borough for the sale of Parcel 3, Parcel E-4 and Parcel TCE-4 by the borough to ADOT&PF for \$302,000 is hereby approved, provided that in accordance with HBC 14.20.100(D), all costs such as but not limited to surveying, platting, appraisal, escrow, and recording fees associated with this negotiated sale shall be paid by ADOT&PF. The manager and mayor are hereby authorized to take all such steps as may be necessary to finalize and sign the Memorandum of Agreement and conveyance documents on behalf of the Haines Borough.

Adopted by a du	lly-constituted 012.	quorum	of the	Haines	Borough	Assembly	on the	day of
ATTEST:					Stephar	nie Scott, N	Mayor	
Julie Cozzi, MMC,	Borough Clerk	<del></del>						
Date Introduced:	07/24/12							



# Department of Transportation and Public Facilities

SOUTHEAST REGION DESIGN & ENGINEERING SERVICES Preconstruction

6860 Glacier Highway PO Box 112506 Juneau, Alaska 99811-2506 Main: 907,465,4444 Toll free: 877,305,6630

Fax: 907.465.4414

December 12, 2012

Mr. Mark Earnest Borough Manager Haines Borough P.O. BOX 1209 Haines, Alaska 99827

Re: Haines Ferry Terminal Improvements

Project No. 68433

FHWA No. FB-NH-095-5(14) Parcel Nos. 3; E-4, and TCE-4

Dear Mr. Earnest,

This is in response to your letter to me dated December 3, 2012. There you responded to my letter dated October 29, 2012 and made a new offer regarding the several parcels of land which the department seeks to acquire for our ferry terminal improvement project. My October letter offered to acquire all the necessary rights for all three parcels for a total of \$313,775. Your letter offered to sell the rights to all three parcels for a total amount of \$338,400. You also requested to be reimbursed for your attorney fee costs and the costs of consulting with an appraiser for a total amount of \$12,000.

We would like to accept your offer to acquire all the necessary rights to all three parcels (Parcel No. 3; E-4, and TCE-4) for a total amount of \$338,400. However, since this is a federal aid project, FHWA rules are such that we cannot pay you for your attorney fees and consultant costs as FHWA would not participate in such costs. It is true that there are times when such costs are reimbursable, but only when such costs are part of a court order. The relevant provision in the Code of Federal Regulations is 23 CFR § 710.203. This provision of the Code of Federal Regulations does not specifically address attorney's fees or the costs of an appraiser,

but that is how FHWA has interpreted and applied this provision for many years. This rule is also ensconced in Sec. 2.9.5 of the department's Right of Way Manual.

I do wish to note that while we are willing to accept your counter-offer to sell the necessary rights for a total of \$338,400, this does not at all mean that we accept or recognize that the rights involved are worth any more than stated in my letter of October 29. In particular, we do not acknowledge that Parcels 3 and E-4 are worth any more than the value appraised by Mr. Horan. Our willingness to accept your offer is based entirely on the desire to avoid litigation and its attendant costs, and for the sake of being able to advertise the project sooner than later.

As for the restriction in your deed from the Department of Natural Resources, we are working on that, and we are quite sure that this is an issue which need not stand in the way of a conveyance from the Borough to this department. We are working on this issue with Ms. Jerri Sansone of the Realty Services Section of the Department of Natural Resources (DNR) in Anchorage. A copy of this letter is being sent to Ms. Sansone.

As for Tract B, we would like to obtain a quitclaim deed from the Borough as we hopefully reach agreement on the other aspects. By all available documents, the State of Alaska Department of Transportation and Public Facilities already owns Tract B. However, it has been the subject of informal agreements between the department and the Borough which, among other things have resulted in the Borough's use of a portion of Tract B in recent years. Here, we would simply seek the Borough's recognition of the department's ownership of Tract B.

Please consider this offer. I suggest that it is fair to the Borough and would allow this project to move forward.

Yours truly,

Ray C. Preston

Right of Way Agent

cc: Sean Lynch, Assistant Attorney General
Jerri Sansone, Department of Natural Resources

# STATE OF ALASKA

#### DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

SOUTHEAST REGION DESIGN & ENGINEERING SERVICES
PRECONSTRUCTION

SEAN PARNELL, GOVERNOR

6860 GLACIER HIGHWAY PO Box 112506 JUNEAU, AK 99811-2506

PHONE: (907) 465-4444 TTY/TDD: (907) 465-4647 FAX: (907) 465-4414

May 24, 2012

Mr. Mark Earnest Borough Manager Haines Borough P.O. BOX 1209 Haines, Alaska 99827

LETTER OF OFFER

Re: Haines Ferry Terminal Improvements Project No. 68433 FHWA No. FB-NH-095-5(14) Parcel Nos. 3; E-4, and TCE-4

Dear Mr. Earnest,

The Department of Transportation and Public Facilities (the department) has plans to improve the Haines Ferry Terminal. Among other things, the department plans to remove four deteriorated sheet pile cells, and replace them with a new fill slope covered with armor rock. In the process, approximately 49,000 cubic yards of material will be removed and disposed of in a new area of expansion, primarily in an area identified as Parcel 2 shown on the enclosed drawing.

The project requires the acquisition of a parcel of land owned by the borough known as Tract C of A.T.S. 1464. A copy of A.T.S. 1464 also accompanies this letter. For purposes of the project, Tract C has also been identified as Parcel 3. Parcel 3 consists of 16,187 sq. ft. The project will also include a concrete retaining wall on the north side of the terminal building in an area identified on the enclosed drawing as E-4. The retaining wall requires the acquisition of a permanent easement which has been designated as Parcel E-4. Parcel E-4 consists of .09 acre. Parcel E-4 is shown both on the enclosed overall drawing and on a special drawing for the easement which is attached to the enclosed easement conveyance for Parcel E-4. The improvements to the terminal will also require the acquisition of a Temporary Construction Easement (TCE-4) consisting of .59 acres or 25,700 sq. ft. TCE-4 is shown on a drawing attached to an enclosed Temporary Construction Easement form. Parcels E-4, and Parcel TCE-4 are areas also owned by the Haines Borough. They are part of Tract A of A.T.S. 1464.

The department is duty bound to pay just compensation for all property rights which must be acquired for its construction projects. Accordingly, the department engaged a private

appraiser, Horan and Company of Sitka to appraise the value of the property rights that must be acquired from the Haines Borough. Mr. Horan did perform an appraisal and a copy of his appraisal is enclosed with this letter. Mr. Horan opined that the several property rights involved have a fair market value as follows:

Parcel 5: a fee simple interest in 16,187 sq. ft.:

\$194,244

Parcel E-4: a permanent 3,920 sq. ft.slope easement:

47,040

Parcel TCE-4: a 25,701 sq. ft. temporary construction easement:

60,225

Total: \$301,509

Mr. Horan's appraisal has been reviewed and approved by one of the department's review appraiser's, Mr. Bruce Bowler. Mr. Bowler also made a determination of just compensation and rounded the total amount to \$302,000.

The department hereby offers to purchase all of these rights, and each of them for a total of \$302,000.

Assuming that this amount is acceptable to the borough, I have prepared the necessary documents by which the property rights would be conveyed. Enclosed is a warranty deed for Parcel 3 (Tract C), a permanent easement conveyance for Parcel E-4, and a temporary construction easement for Parcel TCE-4. Also enclosed is a Memorandum of Agreement, a Purchase Voucher, and a W-9 form.

Finally, as this process moves forward we would like to clarify or re-establish the department's ownership interest in Tract B of A.T.S. 1464.

If you have any questions or concerns about this offer, please call me at 465-4519. I thank you for your consideration.

Ray C. Preston

Right of Way Agent

enclosures



P.O. BOX 112500 - JUNEAU, ALASKA 99811-2500

WARRANT DATE	
WARRANT NO.:	
WARRANT REC'L	D <b>:</b> :
	N THE CERTIFICATION BELOW AND RETURN
	TO THE DEPARTMENT OF TRANSPORTATION LILITIES BEFORE PAYMENT CAN BE MADE.

#### **PURCHASE VOUCHER**

NAME OF PAYEE:

HAINES BOROUGH

ADDRESS OF PAYEE: PO BOX 1209, Haines, Alaska 99827

TELEPHONE NO .:

(907) 766-2231

TELEFTIONE NO	(907) 700-2231	T		Table 100 and
Date of Agreement	Project Number 68433 FB-NH-095-5(14)	Parcel Number 3; E-4; & TCE-4	Type of Document Warranty Deed; Easement; TCE	Amount
	RIGHT OF WAY ACQUI	SITION		The first search and the conductive property and the conductive search
	Parcel 3 Parcel E-4 Parcel TCE-4	SITION		\$194,560.32 47,116.60 60,323.08
		GRAND TOTAL (LE	SS DEDUCTIONS)	\$302,000.00
PAYEE'S CERTIFICATIO	ON: I certify that the a	bove bill is correct and	NATIONAL PROPERTY OF THE PROPE	

PAYEE'S CERTIFICATION: I certify that the above bill is correct received:	and just and that payment therefore has not beer
Print Name (HAINES BOROUGH)	SIGNATURES MUST BE IN INK OR INDELIBLE PENCIL
APPROVED BY:	

ACCOUNTS TO BE CHARGED

ACCOUNT CODE	DEBIT	CREDIT	AMOUNT
24433744 57371 30284032 75150			\$302,000.00
I certify that the above services were performed or expenses incurred as stated; that they were necessary and proper; that the amounts claimed are just and reasonable; that no part thereof has been paid.	GRAND TOTAL (N	IET)	\$302,000.00
	PREPARED BY:	APP	ROVED FOR PAYMENT
	R. Preston		
	CHECKED BY:	REGIONALCHIE AGENT	F RIGHT-OF-WAY



#### **MEMORANDUM OF AGREEMENT**

PROJECT NAME: HAINES FERRY TERMINAL

**IMPROVEMENTS** 

STATE PROJECT #: 68433

FEDERAL-AID PROJECT #: FB-NH-095-5(14)

PARCEL #: 3, E-4; AND TCE-4

AGREEMENT has been reached this day of parcel or parcels and the DEPARTMENT OF TRANSPORTATION amount to be paid, and other considerations to be given in full satisfa	AND PUBLIC FACILIITES, for the purchase of said parcels. The ction of this Agreement, are as follows:		
Right-of-Way Acquisition: Retention Value	\$ <u>302,000.00</u> \$		
Pietrone and improvements assumed.	Total Compensation \$ 302,000.00		
Fixtures and improvements purchased: Land purchased: Parcel 3: 16,187 sq. ft. Parcel E-4: 3,920 sq. ft.	\$		
TCE-4: 25,700 sq. ft.			
Damages are a considerations:  yes no Amount of Damages \$	included in total compensation		
Other Conditions:			
<ol> <li>Taxes and Special Assessments, if any, delinquent from for if due and/or payable, shall be paid by the vendor or vendor.</li> </ol>	rmer years, and Taxes and Special Assessments for the current year,		
	en the parties hereto as it pertains to the real estate, and there are no		
promises, terms, conditions or obligations referring to the	subject matter hereof, other than as contained herein		
3. The vendor or vendors hereby agree that the compensation	herein provided to be paid includes full compensation for their		
	n, reversioners, liens and lessees, and any and all other legal and		
equitable interest that are or may be outstanding and said v			
<ol> <li>THIS AGREEMENT shall be deemed a CONTRACT extended</li> </ol>	ending to and binding upon the parties hereto and upon the respective		
	ive, successors and assigns of the parties, only when the same shall		
have been approved by the Regional Chief Right-of-Way A	Agent on behalf of the Department.		
	m of \$302,000.00 shall be paid upon execution and delivery of a good Const. Easement or \( \subseteq \text{Other}, \) and the balance of the compensation, endors with the terms hereof.		
Vendor or Vendors	Amount of Payment		
HAINES BOROUGH \$302,000.00			
MANADO DONO COM	\$30 <b>2</b> ,000.00		
The Vendor or Vendors certify that there are no known hazardous man	terials on the property.		
The terms of this Agreement are understood and assented to by us and			
occupants will be allowed a thirty-day rent-free period after receipt of premises without at least ninety days written notice.	the warrant and legal occupants will not be required to vacate the		
DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES	Vendor and Vendors		
DESIGN PROJECT MANAGER Date	<del></del>		
Note: Regional Pre-Construction Engineer or Designee must sign  MARK EARNEST Date:			
when construction consideration is involved	BOROUGH MANAGER		
BY:			
Right-of-Way Agent Date	_		
APPROVED FOR PAYMENT AS ABOVE			
REGIONAL CHIEF RIGHT-OF-WAY AGENT Date Region:	_		



# REVIEW APPRAISER'S DETERMINATION OF JUST COMPENSATION

□ Original

PROJECT NAME: HAINES FERRY TERMINAL IMPROVEMENTS

STATE PROJECT #: 68433

FEDERAL-AID PROJECT #FB-NH-095-5(14)

PARCELS 3, 4 AND TCE 4

Owner: City and Borough of Haines

The following appraisals were reviewed and approved, using Department and nationally-recognized appraisal standards:

Appraiser: Charles Horan

Date of Appraisal: 2/7/2012

Reviewer: L. Bruce Bowler

This Determination was prepared in conformity with 49 CFR 24, the Uniform Standards of Professional Appraisal Practice and Chapter 5 of DOT&PF's Appraisal Guidelines. The data and statements of fact presented in the appraisal have not been verified by this office, and are assumed to be true and correct. All of the assumptions and limiting conditions contained in the appraisal report are also conditions of this review, unless otherwise stated. My Determination is the result of my independent, personal, unbiased professional analysis, opinions, and conclusions, based upon a technical review of the appraisal and other relevant factual data, without significant professional assistance or direction. My compensation is not contingent on the results of this review or the reporting of any predetermined result. I will not benefit in any manner from the acquisition of the property being appraised. I have no direct, indirect, present, or prospective personal interest or bias toward this property or to the parties involved.

I attempted to make a physical inspection of the subject and comparables, but weather prevented it. I am familiar with the property and the area from previous appraisals.

#### Just Compensation for the property to be acquired is:

\$ 302,000.00 (rd)

Parcel 3 Land: 16,187 SF @\$12/SF Parcel 4 Slope Easement: 3,920 SF @ \$12/SF

/SF \$ 47,040.00 \$ 60,225.00

No damages or improvements were noted

TOTAL

\$301,509.00

\$ 194,244.00

This determination is based on Mr. Horan's appraisal, which meets existing department and Uniform Act appraisal standards. The reports' analyses, opinions and conclusions appear to be appropriate and reasonable given the data and analyses presented. The land value was rounded in the City's favor.

It is understood that this Determination of Just Compensation is to be used in conjunction with a Federal-Aid or State project, and is intended for use only by the Alaska Department of Transportation and Public Facilities. To the best of my knowledge, items compensable under State Law but not eligible for Federal reimbursement, if any, are attached on a separate sheet.

Federal Participation: \$302,000.00

State Funds: n/a

Date: March 16, 2012

TCE-4

Review Appraiser, AK Certification # 0022

# September T

# STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

## PROJECT NAME: HAINES FERRY TERMINAL IMPROVEMENTS

STATE PROJECT #: 68433

FEDERAL-AID PROJECT#: FB-NH-095-5(14)

PARCEL#: TCE-4

#### TEMPORARY CONSTRUCTION EASEMENT

(Corporate/Partial Property)

THE GRANTOR, the HAINES BOROUGH, whose mailing address is P.O. Box 1209, Haines, Alaska 99827, for and in consideration of DOLLARS, and other valuable consideration, in hand paid, conveys to the GRANTEE, STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES ("the department), whose mailing address is P.O. Box 112506, Juneau, Alaska 99811-2506, its successors and assignees, an unrestricted temporary easement, over, and across the following-described tract of land located in the State of Alaska. That part of the following described tract of land:

A Portion of Tract A, A.T.S. 1464, Haines Recording District, First Judicial District, State of Alaska,

as shown on the plat attached hereto and made a part of hereof as page three of this instrument and designated as Parcel TCE-4. Said parcel, consists of 0.59 acres (25,700.4 square feet), is hereby granted to the State of Alaska for general construction purposes for the project, but specifically for the purpose of constructing a retaining wall for the project, The Grantor hereby covenants with the State of Alaska that the Grantor has good title to the above-described tract of land, and covenants that the State of Alaska shall have quiet and peaceable possession thereof and use thereof during the period of the temporary construction easement. The time period shall be for a period of two years beginning from the time the department awards a contract for the project.

Dated this day of		_, 2012.
ATTEST:		HAINES BOROUGH
	By:	
	•	Mark Earnest Borough Manager
Print Name and Title:		
Filed for Record at the Request of		
and Return to:		
Right of Way Section		
Alaska Dept. of Transportation &		
Public Facilities		

Juneau, Alaska 99811-2506 State Business – no charge

P.O. Box 112506

#### **ACKNOWLEDGMENT**

STATE OF ALASKA )
: ss FIRST JUDICIAL DISTRICT )
On this day of, 2012, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Mark Earnest, Borough Manager, and, (Name), (Title) known to me to be the identical individuals who executed the foregoing instrument, and who acknowledged to me that they each executed the same as their free and voluntary act, with full authority to do so and with full knowledge of its contents, and for the uses and purposes therein mentioned.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.
[NOTARY SEAL]
Notary Public in and for the State of Alaska My Commission Expires:
CERTIFICATE OF ACCEPTANCE
THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, Grantee herein, acting by and through its Commissioner, hereby accepts for public purposes the real property, or interest therein, described in this instrument and consents to the recordation thereof.
IN WITNESS WHEREOF, I have hereunto set my hand this day of, 2012.
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
By: For the Commissioner



#### **EASEMENT**

(Corporate/Partial Property)

PROJECT NAME: HAINES FERRY TERMINAL IMPROVEMENTS

STATE PROJECT #: 68433

FEDERAL-AID PROJECT#: FB-NH-095-5(14)

PARCEL#: E-4

THE GRANTOR, the HAINES BOROUGH, whose mailing address is P.O. Box 1209, Haines, Alaska 99827, for and in consideration of DOLLARS, and other valuable consideration, in hand paid, conveys to the GRANTEE, STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES, whose mailing address is P.O. Box 112506, Juneau, Alaska 99811-2506, its successors or assignees, a perpetual, full and unrestricted easement and right-of-way along, over, and across the following-described tract of land located in the State of Alaska:

A portion of Tract A, A.T.S. 1464, Haines Recording District, First Judicial District, State of Alaska

As part of Alaska Project No. 68433, and shown on the plat attached hereto and made a part hereof as page 3 of this instrument and designated as Parcel E-4. Said Parcel, containing .09 acres (3,920.4 sq. ft.), more or less, is hereby granted to the State of Alaska for the purpose of establishing, constructing and maintaining a retaining wall and slope easement related to a public ferry terminal and for all related purposes including utility purposes. The Grantor hereby covenants with the State of Alaska that the Grantor has good title to the above-described tract of land and covenants that the State of Alaska shall have quiet and peaceable possession thereof; and shall have a free and unrestricted right to maintain said facilities as long as the right-of-way of which this easement area is a part, remains a public way.

Dated this	day of		, 2
ATTEST:			HAINES BOROUGH
		By:	Mark Earnest
Print Name and Title:			Borough Manager

Filed for Record at the Request of and Return to: Right of Way Section Alaska Dept. of Transportation & Public Facilities P.O. Box 112506 Juneau, Alaska 99811-2506

State Business-No Charge

#### ACKNOWLEDGMENT

STATE OF ALASKA )
: ss FIRST JUDICIAL DISTRICT )
On this day of, 2012, before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Mark Earnest, Borough Manager, and
(Name) (Title)
known to me to be the identical individuals who executed the foregoing instrument, and who acknowledged to me that they each executed the same as their free and voluntary act, with full authority to do so and with full knowledge of its contents, and for the uses and purposes therein mentioned.
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.
[NOTARY SEAL]
Notary Public in and for the State of Alaska My Commission Expires:
CERTIFICATE OF ACCEPTANCE
THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, Grantee herein, acting by and through its Commissioner, hereby accepts for public purposes the real property, or interest therein, described in this instrument and consents to the recordation thereof.
IN WITNESS WHEREOF, I have hereunto set my hand this day of, 2012.
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
By: For the Commissioner



## WARRANTY DEED (Standard/Partial Property)

PROJECT NAME: HAINES FERRY TERMINAL

**IMPROVEMENTS** 

STATE PROJECT #: 68433

FEDERAL-AID PROJECT#: FB-NH-095-5(14)

PARCEL#: 3

THE GRANTOR, the HAINES BOROUGH, whose mailing address is P.O. Box 1209, Haines, Alaska 99827,, for and in consideration of DOLLARS, and other valuable consideration, in hand paid, conveys and warrants to the GRANTEE, STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION & PUBLIC FACILITIES, whose mailing address is P.O. Box 112506, Juneau, Alaska 99811-2506, the following-described real estate, located in the State of Alaska:

Tract C of Alaska Tideland Survey No. 1464, Haines Recording District, First Judicial District, State of Alaska.

As shown on the plat attached hereto and made a part hereof as Page 3 of this instrument and designated as Parcel No. 3. Said parcel contains 16,187 square feet, more or less, and is for the purpose of constructing or improving the Haines Ferry Terminal of the Alaska Marine Highway System and accomplishing all necessary incidentals thereto.

Dated this	day of	, 2012
ATTEST:	Haines Bo	prough
Print Name and Title:	By:	Mark Earnest Borough Manager
Filed for Record at the Request of		

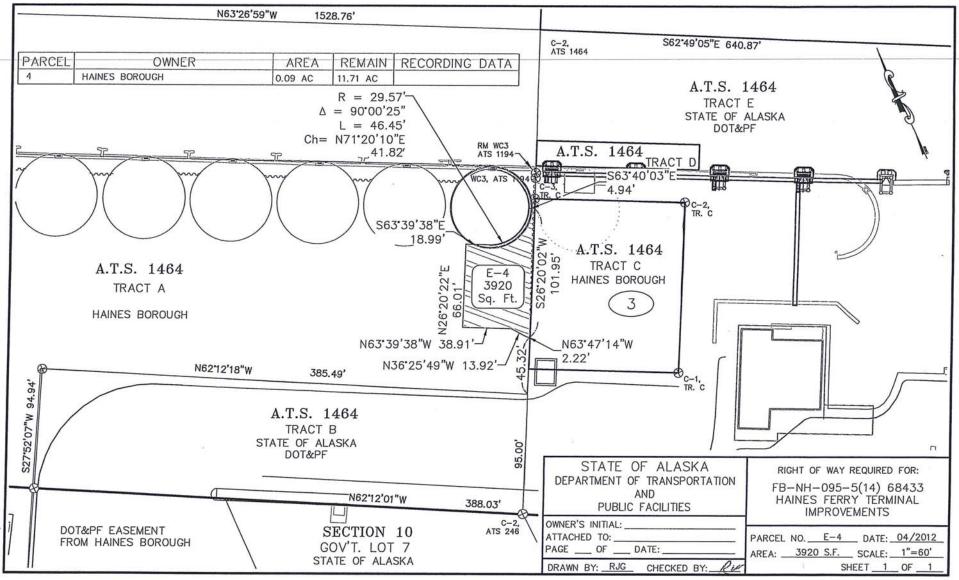
Right of Way Section Alaska Dept. of Transportation & Public Facilities P.O. Box 112506

Juneau, Alaska 99811-2506

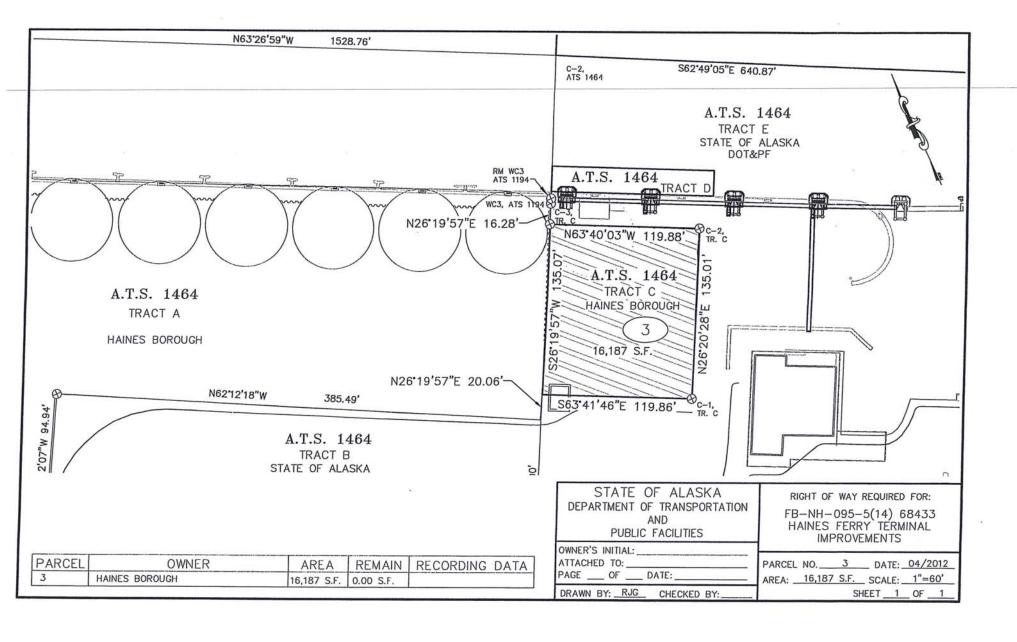
and Return to:

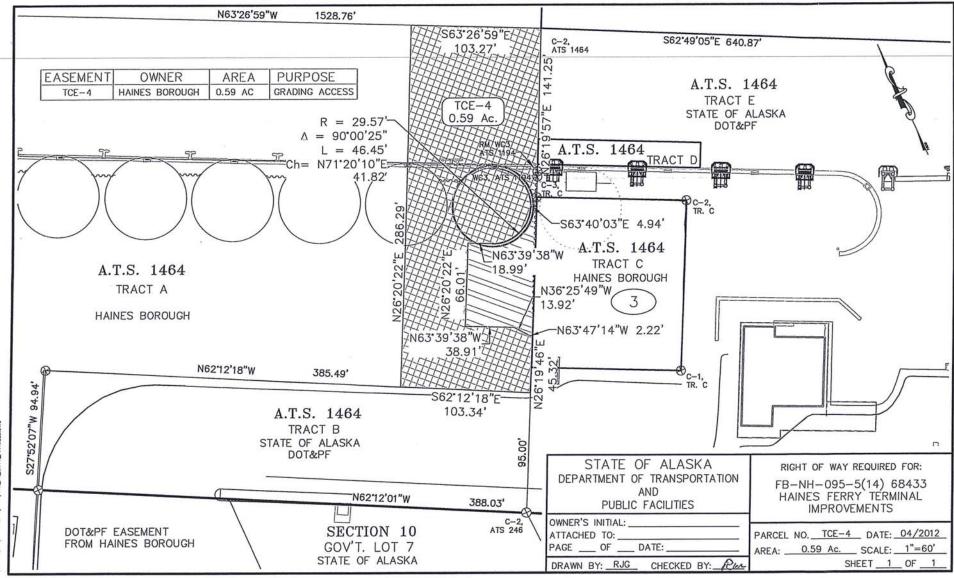
#### ACKNOWLEDGMENT

STATE OF ALASKA ) : ss			
First Judicial District )			
On this day of, 2012 before me, the undersigned, a Notary Public in and for the State of Alaska, personally appeared Mark Earnest, and known to me to be the identical persons who executed the foregoing instrument and who acknowledged to me that they each signed the same freely and voluntarily, with full knowledge of its contents, for the uses and purposes therein mentioned.			
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year above written.			
[NOTARY SEAL]			
Notary Public in and for the State of Alaska My Commission Expires:			
CERTIFICATE OF ACCEPTANCE			
THIS IS TO CERTIFY that the STATE OF ALASKA, DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES, Grantee herein, acting by and through its Commissioner, hereby accepts for public purposes the real property, or interest therein, described in this instrument and consents to the recordation thereof.			
IN WITNESS WHEREOF, I have hereunto set my hand this day of, 2012.			
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES			
By: For the Commissioner			



\\CB433\RW\HANES\_FT\DWG\HNS\_FT\_2011\_PARCE





NS\68433\RW\HANES\_FT\DWG\HNS\_FT\_2011\_PARCEI

#### Haines Borough Assembly Agenda Bill

Agenda Bill No.: 13-207
Assembly Meeting Date: 1/8/13

Business Item Description:	Attachments:		
Subject:	1. Resolution 13-01		
	2. Change Order #		
Phase II Roads Change Order #2		3. Resolution 11-08-303, adopted 8/30/11, authorizing	
Originator:	Change Order #1		
Director of Public Facilities (Agenda Bill by	Julie Cozzi)		
Originating Department: Public Facilities			
Date Submitted:			
12/31/12			
Full Title/Motion:			
Motion: Adopt Resolution 13-01-429.			
Wollon: Adopt Resolution 13-01-429.			
Administrative Recommendati	on:		
The manager recommends this.			
Fiscal Impact:			
Expenditure Required	Amount Budgeted	Appropriation Required	
\$ \$43,606.45	\$ See Summary Below	\$	
Comprehensive Plan Consistency Review:			
Comp Plan Policy Nos.:		(	
Comp rian rolley 1403	Consistent:	Yes □No	
Summany Statements			
Summary Statement:	on EV 2012 la rialativa avant for the	numana of mand makabilitation and	
The borough was appropriated a \$4.5 million FY-2012 legislative grant for the purpose of road rehabilitation and maintenance. On 8/9/11, the borough contracted with Southeast Road Builders (SRI) for Phase II Street			
Improvements for an amount not to exceed			
project improvements, including curbs, gutters and sidewalks at a reduced cost to the borough because the CIA			
committed to contribute funding of \$102K of Indian Reservation Roads funds as part of the project for curb, gutter			
and sidewalk improvements along the east side of First Ave. S. On 8/30/11, the assembly authorized an amendment (change order #1) to add this additional work totally \$188,555 with the borough's portion being \$86,555.			
The final pay estimate from SRI on this completed project listed \$43,606.45 in additional costs, bringing the total			
contract to \$1,190,071.95 and thereby requiring a second and final change order.			
Referral:			
Sent to:	Date:		
Recommendation: Re	fer to:	Meeting Date:	
Assembly Action:			
Workshop Date(s):	Public Hearing [	Public Hearing Date(s):	
Meeting Date(s): 1/8/13	Tabled to Date	Tabled to Date:	

### HAINES BOROUGH RESOLUTION No. 13-01-429

### Draft

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to execute a contract change order with Southeast Road Builders, Inc. for the Haines Street Improvements Phase II construction project for an amount not to exceed \$43,606.45.

**WHEREAS**, the Borough contracted with Southeast Road Builders, Inc. (SRI) on 8/9/2011 for the Haines Street Improvements Phase II construction project for an amount not to exceed \$957,910; and

**WHEREAS**, there was an opportunity to include additional project improvements, including curbs, gutters and sidewalks at a reduced cost to the Borough because of significant financial participation in these improvements by the Chilkoot Indian Association (CIA) and Southeast Road Builders; and

**WHEREAS**, the CIA committed to contribute funding in the amount of approximately \$102,000 of Indian Reservation Roads (IRR) funds as part of this project for curb, gutter and sidewalk improvements along the east side of First Avenue South; and

WHEREAS, the assembly in August 2011 authorized the Borough Manager to execute an amendment to the contract with Southeast Road Builders for the Haines Street Improvements Phase II construction project to add curb, gutter and sidewalk improvements along the east side of First Avenue South for an amount not to exceed \$188,555.50, with the Borough's portion of the amendment amounting to \$86,555.50, funded by Legislative grant funds; and

**WHEREAS**, the \$188,555.50 contract amendment was included in a change order dated December 2012; and

**WHEREAS**, the final pay estimate from Southeast Road Builders listed \$43,606.45 in additional costs, bringing the total contract to \$1,190,071.95 and thereby requiring a second change order,

**NOW**, **THEREFORE**, **BE IT RESOLVED** that the Haines Borough Assembly authorizes the Borough Manager to execute a contract change order with Southeast Road Builders, Inc. for the Haines Street Improvements Phase II construction project for an amount not to exceed \$43,606.45.

Adopted by a duly-constituted quorum of the of, 2013.	Haines Borough Assembly on this day
Attest:	Stephanie Scott, Borough Mayor
Julie Cozzi, MMC, Borough Clerk	

### HAINES BOROUGH

### CHANGE ORDER

	OF	RDER I	NO. <u>2</u>
Page	1_	_ of _	_1

DATE: December 13, 2012

PROJECT NAME: Phase II Roads

CONTRACT AGREEMENT DATE: August 9, 2011

OWNER: HAINES BOROUGH

CONTRACTOR: Southeast Road Builders

The following changes are hereby made to the CONTRACT DOCUMENTS:

Justification: Extra work as described below

Original CONTRACT AGREEMENT: \$957,910 DAYS: 298

Current CONTRACT AGREEMENT adjusted by previous CHANGE ORDER(S): \$1,146,465.50 DAYS: 419

This CHANGE ORDER will **increase** the CONTRACT AGREEMENT by \$43,606.45 DAYS:

The new CONTRACT AGREEMENT including this CHANGE ORDER will be \$1,190,071.95 DAYS: 419

The date for completion of all work will be September 30, 2012 (Date).

DESCRIPTION OF CHANGES  Extra work and items noted in final pay estimate from Southeast Road Builders (12/01/2011 - 9/30/2012): Removal of culvert pipe; asphalt concrete type II; sanitary sewer manhole; sanitary sewer; construction survey; waterline, boulder and design conflicts; drain rock; sidewalk replacement	INCREASE IN CONTRACT AMOUNT (\$) 43,606.45	(DECREASE) IN CONTRACT AMOUNT (\$)	CONTRACT TIME EXTENSION (DAYS)
TOTALS	\$43,606.45	\$	
NET CHANGE CONTRACT AMOUNT			
INCREASE OR (DECREASE)	\$43,606.45		

### Signatures Required:

The undersigned Contractor approves the foregoing Change Order as to the changes, if any, in the contract price specified for each item, including any and all supervision costs and other miscellaneous costs relating to the change in work, and as to the extension of time allowed, if any, for completion of the entire work on account of said Change Order. The Contractor agrees to furnish all labor and materials and perform all other necessary work, inclusive of that directly or indirectly related to the approved time extension, required to complete the Change Order items. This document will become a supplement of the contract and all provisions will apply hereto. It is understood that the Change Order shall be effective when all signatures are in place.

Owner:	Date:
Contractor:	Date:
State or Federal Agency, if applicable:	Date:

					SOUTHEAS	T ROADBUILDE	RS. INC.						
Contractor:	Southeast Road	builders. Inc.		+		GRESS ESTIMAT	,						1
Contractor:	Courieus: Roud	bunders, mo.			1 110	1	_						
Owner:	Haines Borough												
PROJECT:	Haines Street Im	provements, Pha	ise II										
ESTIMATE #: 3 (FINAL)												+	+
												1	
DATE: 12/01/2011 - 09/30/20	012												
							TO	OTAL					
				PLAN	COST PER			DATE		PREV	IOUS	CUR	RENT
ITEM DESCRIPTION			UNITS	QUANTITY	UNIT	AMOUNT	QTY		\$ AMT	QTY	\$ AMT	QTY	\$ AMT
201(3B) Clearing & Grubbing			LS	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	26,650.00	26,650.00	1		26,650.00	1.0	26,650.00	0	0.00
202(2) Removal of Pavement 202(3) Removal of Sidewalk	t		SY LS	4500	0.61 3,650.00	2,745.00 3,650.00	1777 1	-	1,083.97 3,650.00	1,777.0 1.0	1,083.97 3,650.00	0	0.00
202(4) Removal of Culvert Pi	ipe		LS	1	350.00	350.00			3,030.00	1.0	3,030.00	Ů	0.00
202(4) Removal of Culvert Pip		CO Pending	LS		700.00	0.00	0.5		350.00	0.5	350.00	0	0.00
203(3) Unclassified Excavation	on - See attached for	r subexc qty	CY	1500	26.00	39,000.00	1958	oxdot	50,908.00	1,958.0	50,908.00	0	0.00
203(6) Borrow, Type A 301(1) Aggregate Base Court	se D1		Ton Ton	700 2500	12.00 33.30	8,400.00 83,250.00	0 2012.6	$\vdash\vdash$	0.00 67,019.58	0.0 2,012.6	0.00 67,019.58	0	0.00
303(3) Ditch Reconditioning	55, 51		LF	900	45.60	41,040.00	855	$\vdash$	38,988.00	855.0	38,988.00	0	0.00
304(1) Subbase, Grading B			Ton	1000	33.30	33,300.00	1000		33,300.00	1,000.0	33,300.00	0	0.00
401(1) Asphalt Concrete Type		00 D II	Ton	1100	140.00	154,000.00	1000.00		400 570 40	4 000 0	400 570 40	0	0.00
401(1) Asphalt Concrete Type 401(2) Asphalt Cement, PG 5		1 CO Pending	Ton Ton	66	<b>150.90</b> 1,250.00	0.00 82,500.00	1209.89 65.8		182,572.40 82,250.00	1,209.9 65.8	182,572.40 82,250.00	0	0.00
501(9) Class A-A Concrete R			LS	1	48,750.00	48,750.00	1		48,750.00	1.00	48,750.00	0	0.00
603(1-18) 18" CMP	j		LF	700	79.00	55,300.00	668		52,772.00	621.0	49,059.00	47	3,713.00
603(1-18S) 18" CMP Supply			LF	100	30.00	3,000.00	100		3,000.00	100.0	3,000.00	0	0.00
603(1-24)24" CSP 604(2) Sanitary Sewer Manho	ole		LF EA	40	107.00 13,750.00	4,280.00 13,750.00	60		6,420.00	60.0	6,420.00	0	0.00
604(2) Sanitary Sewer Manho		CO Pending	EA		15,740.00	0.00	1		15,740.00	1.0	15,740.00	0	0.00
604(4) Adjust Existing Manho		_	EA	3	950.00	2,850.00	3		2,850.00	3.0	2,850.00	0	0.00
604(8) Storm Sewer Catch B			EA	5	3,140.00	15,700.00	5		15,700.00	5.0	15,700.00	0	0.00
604(9) Storm Sewer Catch B 604(10) Manhole Frame & Lice			EA EA	1 3	1,500.00 625.00	1,500.00 1,875.00	3		1,500.00 1,875.00	1.0 3.0	1,500.00 1,875.00	0	0.00
604(11) Storm Sewer Area D			EA	4	4,875.00	19,500.00	4		19,500.00	1.5	7,312.50	2.5	12,187.50
608(1-A) Sidewalk 4"			SY	250	197.00	49,250.00	250		49,250.00	250.0	49,250.00	0	0.00
609(2R) Curb & Gutter - Rolle			LF LF	100	101.00	10,100.00	500		50,500.00	500.0	50,500.00	0	0.00
609(2-S) Curb & Gutter - Sta 609(2-SP) Curb & Gutter - Sp			I F	100	79.00 134.00	7,900.00 1,340.00	100 10		7,900.00 1,340.00	100.0 10.0	7,900.00 1,340.00	0	0.00
609(7-V) Valley Gutter			LF	330	79.00	26,070.00	675		53,325.00	675.0	53,325.00	0	0.00
615(6) Sign Salvage & Reset	t		LS	1	2,000.00	2,000.00	1		2,000.00	1.0	2,000.00	0	0.00
618(4) Seeding 626(1) Sanitary Sewer DI 8"			LS LF	1 25	2,600.00 90.00	2,600.00 2,250.00	0		2,600.00	0.0	0.00	0.0	2,600.00
626(1) Sanitary Sewer DI 8" -	8/8 Plan Revision CO	Pending	LF	25	119.00	0.00	46		5,474.00	30.0	3,570.00	16	1,904.00
626(2) Sewer Service Conne			EA	1	3,800.00	3,800.00	1		3,800.00	1.0	3,800.00	0	0.00
627(8) Water Service Connec			EA	1	3,350.00	3,350.00	0		0.00	0.0	0.00	0	0.00
627(10) Valve Box Adjustmer 627(11) Valve Box - Supply	nt		EA EA	10	438.00 148.00	4,380.00 1,480.00	12 10		5,256.00 1,480.00	10.0 10.0	4,380.00 1,480.00	2	876.00 0.00
633(1) Silt Fence - Wattles	1		LF	900	3.50	3,150.00	260		910.00	260.0	910.00	0	0.00
640(1) Mobilization			LS	1	159,700.00	159,700.00	1		159,700.00	0.9	143,730.00	0.1	15,970.00
641(1) Erosion & Pollution Co			LS	1 1	5,175.00	5,175.00	11		5,175.00	0.90	4,657.50	0.1	517.50
642(2) Erosion & Pollution Co 641(3) Erosion & Pollution Co			LS CS	1	2,275.00 2,500.00	2,275.00 2,500.00	1 0.78		2,275.00 1,950.00	0.90 0.78	2,047.50 1,950.00	0.1	227.50 0.00
642(1) Construction Survey	January Transmission		LS	1	22,450.00	22,450.00	0.70		1,000.00	0.70	1,000.00	j	0.00
642(1) Construction Survey -	8/8 Plan Revision CO	Pending	LS		25,025.00	0.00	1		25,025.00	1.0	25,025.00	0	0.00
643(2) Traffic Maintenance	+		LS	1	6,750.00	6,750.00	1	$\vdash$	6,750.00	1.00	6,750.00	0	0.00
EXTRA WORK:	+		<del>                                     </del>		+			$\vdash$			+	+ +	+
DSC # 1 - S15 Waterline Cor	nflict		LS		\$2,082.28	0.00	1		2,082.28	0.0	0.00	1	2,082.28
DSC # 2 - P2 Boulder Conflic			LS		\$2,166.77	0.00	1		2,166.77	0.0	0.00	1	2,166.77
DSC # 3 - S10/P-9 Design Co DSC # 4 - Drain Rock - Missi		l Speed Comp	LS Ton		\$5,411.40 \$31.56	0.00	1 668.3	$\vdash \vdash$	5,411.40 21,091.55	0.0 668.3	0.00 21,091.55	1 0	5,411.40 0.00
DOC # 4 - DIAITI KOCK - MISSI	UII 31 (IVIAL, LU, HAU	ii, opeau, comp)	1011		φ31.00		000.3	$\vdash$	21,091.00	000.3	21,091.55	0	0.00
RFP # 3 Sidewalk Replacen	nent - CO Pending:		0)/		0457.00	2.55	000	oxdot	50.001.00	200.5	F0 004 05	1	
608(1-A) 4" Sidewalk			SY		\$157.00	0.00	333	<u> </u>	52,281.00	333.0	52,281.00	0	0.00

						SOUTHE	AST R	OADBUILDE	RS, INC.						
Contractor:	Southeast Roa	dbuilders, Inc.				PR	OGRI	ESS ESTIMA	ΓΕ						
Owner:	Haines Boroug	jh T													
PROJECT:	Haines Street I	mprovements, Pha	ise II							H					
ESTIMATE #: 3 (FINAL)					-					+			-		
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DATE: 12/01/2011 - 09/30/	/2012														
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609(2-S) Curb & Gutter Sta	andard		LF	QOARTIT	•	\$71.50		0.00	600	+	42,900.00	600.0	42,900.00	0	0
609(7-V) Valley Gutter, Typ			LF			\$71.50		0.00	200		14,300.00	200.0	14,300.00	0	0
Sidewalk Removal			LS			\$5,750.00		0.00	1		5,750.00	1.0	5,750.00	0	0
Layout & Staking			LS			\$2,000.00		0.00	1		2,000.00	1.0	2,000.00	0	0
ACP Sidewalk Prep per em	nail 08/30/2011		LS			\$2,500.00		0.00	1		2,500.00	1	2,500.00	0	0
					TOTAL	CONTRACT AM	DUNT:	\$957.910.00			\$1,190,071.95	+	\$1,142,416.00		
								4001,010101			**,************************************		Ţ1,112,11202		\$47,655
_										+					
+										+					
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9/29/11 Ck # 314221		427,599.50	)												
01/16/2012 CK # 314753		714,816.50													
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AMOUNT DUE:		\$47,655.95								+		+	+	1	

### HAINES BOROUGH RESOLUTION No. 11-08-303

# Adopted

A Resolution of the Haines Borough Assembly authorizing the manager to execute an amendment to the contract with Southeast Road Builders, Inc. for the Haines Street Improvements Phase II construction project.

**WHEREAS,** the Borough contracted with Southeast Road Builders, Inc. (SRI) on 8/9/2011 for the Haines Street Improvements Phase II construction project; and

**WHEREAS,** there is an opportunity to include additional project improvements, including curbs, gutters and sidewalks at a reduced cost to the Borough because of significant financial participation in these improvements by the Chilkoot Indian Association (CIA) and Southeast Road Builders; and

**WHEREAS,** the CIA has recently committed to contribute funding in the amount of approximately \$102,000 of Indian Reservation Roads (IRR) funds as part of this project for curb, gutter and sidewalk improvements along the east side of First Avenue South; and

**WHEREAS,** Southeast Road Builders, Inc. is also making a significant contribution to reducing the cost of this additional work, and has submitted a proposal in the amount of \$188,555.50; and

**WHEREAS,** the Borough's responsibility for this additional work is \$86,555.50 and will be funded by the Legislative grant funds; and

**WHEREAS,** the Interim Director of Public Facilities and Borough Manager have negotiated with SRI and the CIA, reviewed the proposal and recommend this contract amendment; and

**WHEREAS,** this additional work will benefit the community by providing improved safe pedestrian accommodation, better drainage, and enhanced structural integrity and longevity of the road improvements,

**NOW, THEREFORE, BE IT RESOLVED** that the Haines Borough Assembly authorizes the Borough Manager to execute an amendment to the contract with Southeast Road Builders, Inc. for the Haines Street Improvements Phase II construction project to add curb, gutter and sidewalk improvements along the east side of First Avenue South for an amount not to exceed \$188,555.50, with the Borough's portion of the amendment amounting to \$86,555.50.

Adopted by a duly-constituted quorum of the Haines Borough Assembly on the  $30^{TH}$  day of August, 2011.

Janice Hill, Borough Mayor

Attest:

ie/Cozzi, MMC, Borough Clerk

### Haines Borough Assembly Agenda Bill

Agenda Bill No.:  $\frac{13-208}{1/8/13}$  Assembly Meeting Date:  $\frac{1/8/13}{1}$ 

Business Item Description:	Attachments:
Subject:	1. Resolution 13-01-430
	2. Quotes
Sewer Plant Lighting	3. Request for Quotes
Originator:	
Director of Public Facilities (Agenda Bill by Julie Cozzi)	_
Originating Department: Public Facilities	
Date Submitted:	-
12/31/12	
Full Title/Motion:	
Motion: Adopt Resolution 13-01-430.	
Administrative Recommendation:	
The manager recommends this.	
Fiscal Impact:	
Expenditure Required Amoun	t Budgeted Appropriation Required
\$ \$13,800 \$ \$14,0	00 (see summary) \$ 0
Comprehensive Plan Consistency Revie	
Comp Plan Policy Nos.:	Consistent:
Objective 15K, page 255	
Summary Statement:	
The Haines wastewater treatment plant lights are in nee	ed of replacement to improve safety, energy efficiency and
	replace, plus four additional lights to install, including related
	d, licensed electrical contractors for the installation of 18
	sures at the plant. The low quote was submitted by All Wire
to award this job to the lower bidder.	ocal preference for the local bidder. The assembly is asked
The second secon	
Funding: the assembly is considering an amendment to	
appropriate \$14,000 for this project. A Notice to Proceed	d will not be issued until the budget amendment is approved.
Referral:	
Sent to:	Date:
Recommendation: Refer to:	Meeting Date:
	-
Assembly Action:	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 1/8/13	Tabled to Date:
[ [1] Date(2): 1/8/13	ו מטוכע נט שמנכי

### HAINES BOROUGH RESOLUTION No. 13-01-430

### Draft

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to contract with All Wire Electric in the amount of \$13,800 for the purchase and installation of lights at the Haines wastewater treatment plant.

**WHEREAS**, the Haines wastewater treatment plant lights are in need of replacement to improve safety, energy efficiency and facility maintenance; and

**WHEREAS**, there are 14 lights to remove and replace, plus four additional lights to install, including related conduit; and

**WHEREAS**, the borough sought quotes from qualified, licensed electrical contractors for the installation of 18 two-tube, 54-watt T5 lighting units with vapor-tight enclosures at the plant; and

**WHEREAS**, the borough received four quotes for the Haines wastewater treatment plant lighting project; and

**WHEREAS**, All Wire Electric submitted the low quote of \$13,800 and the Public Facilities Director recommends approval.

**WHEREAS**, the borough assembly is considering an amendment to the FY13 budget through Ordinance 12-11-310 to appropriate \$14,000 for this project,

### NOW, THEREFORE, BE IT RESOLVED BY THE HAINES BOROUGH ASSEMBLY:

Section 1. The Borough Manager is hereby authorized to contract with All Wire Electric in the amount of \$13,800 for the purchase and installation of lights at the Haines wastewater treatment plant; and

Section 2. <u>Effective Date</u>. On or before the date on which the contract Notice to Proceed is issued, non-code Ordinance 12-11-310 shall be adopted by the borough assembly appropriating sufficient funds for the project.

Adopted by a duly-constituted quorur of, 2013.	m of the Haines Borough Assembly on this day
	Stephanie Scott, Borough Mayor
Attest:	
Julie Cozzi, MMC, Borough Clerk	



Stephen Manuel 140 E.45<sup>th</sup> Ave. Anchorage, AK 99503 Phone- 907.339.9473 Fax- 907.339.9800

# **Price Proposal**

December 21, 2012

#### JOB:

All Wire Electric is pleased to provide you the following proposal for labor and materials for the above referenced project.

### **Work Description:**

- Installation 18 new vapor tight fixtures and related conduit and wire
- Demo of 14 existing fixtures

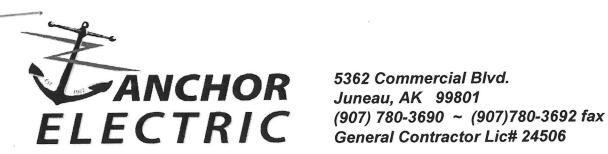
Base Bid Price: \$13,800.00

### Notes and Clarifications:

- This proposal is effective for 30 days but may be extended in writing
- · All work to be done during normal working hours
- This Proposal acknowledges 0 addendums and 0 memos
- Price includes a one-year warranty on all materials and workmanship
- All waste created by electrical contractor will be removed to a specific area on the construction site.
- All Wire Electric is not responsible for delays due to other trades or cause by weather.

#### **Exclusions:**

- · Price excludes Start-up, commissioning, and owner training
- Price excludes Sealing of roof penetrations
- Price excludes core drilling, concrete cutting and patching and painting of architectural surfaces
- Price excludes permit fees (billed to owner at cost) until they are determined by AHJ
- Price excludes trenching
- Price excludes correction of any preexisting code violations



**Revised Proposal** Date Proposal Submitted to 12/21/2012 City of Haines Contract # Street Job Location City, State and Zip Code Waste Water Plant Job Name Relight We propose the following electrical; Remove old light fixtures. Approx. 14 Installation only of 18 new Lithonia light fixtures to include conduit and wire for 4 new installs. Price includes: Parts .....\$7,029 Labor .....\$6,825 Perdiem.....\$1219 We propose hereby to furnish material and labor - complete in accordance with above specifications, for the sum of: \$15,073.00). dollars Plus sales tax if applicable. If sales tax exempt, proof of exemption will need to be given to Anchor Electric. Payment to be made as follows: All material is guaranteed to be as specified. All work to be Authorized completed in a workmanlike manner according to standard Signature practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon Note: This proposal may be withdrawn written orders, and will become an extra charge over and by us if not accepted within days. above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. Acceptance of Proposal - The above prices, specifications and conditions are satisfactory and Signature hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above. Signature Date of Acceptance:



# Proposal

# NORTHERN CONSTRUCTION INC.

P.O. BOX 489

HAINES, ALASKA 99827 Phone: (907) 766-2899



1	
PROPOSAL SUBMITTED TO Carlos Jimenez	PHONE 907-766-2257 DATE December 21, 2012
STREET	JOB NAME Haines Borough Sewer Plant Lighting
CITY, STATE AND ZIP CODE	JOB LOCATION
	Haines, AK
ARCHITECT DATE OF PLANS	JOB PHONE 907-766-2257
We are pleased to submit the following bid for:  Haines Borough Sewer Pl Our bid price of \$14302.00 includes material and labor fo  Removal and replacement of 14 fixtures with Lithonia  Installation of four additional fixtures and related cond	r the following requested installation/repairs:  DMW style fixtures
330 a abronage househoute formish metanish and laborary associations	and not with above apositioning for the own of
⊞e Propose hereby to furnish material and labor — complete in accomposed Three Hundred Two Dollars (\$14,302.00).	ordance with above specifications, for the sum of:
Payments to be made as follows: Due upon completion of work.	
All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire and other necessary insurance. Our workers are fully covered by Workman's Compensation Insurance.	Authorized Signature
Acceptance of Proposal—The above prices, specifications and Conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.	Signature
LISTE OF ACCENTANCE	Nighamire

### PROPOSAL

Phone (907) 747-8887 Fax (907) 747-8875 1314 Sawmill Creek Road Sitka AK, 99835



DATE: 12/21/12

SUBMITTED TO: HAINES BOROUGH ATTENTION: CARLOS JIMENEZ

JOB NAME: SEWER PLANT LIGHTING

LOCATION: HAINES, AK

WE HEREBY SUBMIT SPECIFICATIONS AND QUOTATIONS FOR: Demolition of (14) existing light fixtures, installation of (18) 2 lamp, 54 watt T5 vapor tight light fixtures. All necessary conduit, wire, supports, connections for a complete installation.

Sitka Electric representative, Stony Hertz, performed a site visit on 12/14/12.

WE PROPOSE TO FURNISH MATERIAL AND LABOR AS SET FORTH ABOVE FOR THE SUM OF 525,600.00

PAYMENT TO BE MADE AS FOLLOWS: NET 10 DAYS ON INVOICE

AUTHORIZED SIGNATURE:

RON CONNER

Note: we may withdraw this proposal if not accepted in 30 days. Unless whereine indicated, all pennins and or fees to be the responsibility of others.

THIS PROPOSAL, INCLUDING PAYMENT TERMS, IS HEREBY ACCEPTED

SIGNATURE:

DATE:

PLEASE RETURN A SIGNED COPY.

### **Sewer Plant Lighting**

The Haines Borough is seeking quotes from qualified, licensed electrical contractors for the Sewer Plant Lighting project until 2:00pm, AST, Friday, December 21, 2012. Quotes shall be submitted directly to the attention of Carlos Jimenez, Director of Public Facilities, either by hand-delivery to the Borough Administration Building at 103 Third Ave. or via email to cjimenez@haines.ak.us. Receipt will be confirmed via e-mail. Late quotes will not be accepted.

<u>Project Description</u>: The WORK includes installation of 18 two-tube, 54-watt T5 lighting units with vapor-tight enclosures. There are 14 lights to remove and replace, plus four additional lights to install including related conduit. Contractors are to perform a site visit prior to turning in a quote. All work to be completed by February 28, 2013.

<u>Contract or Technical Questions</u>: All communications relative to this work shall be directed to Carlos Jimenez, Director of Public Facilities, 907-766-2257.

Quote Requirements: All Quotes shall be accompanied by the following, as required by Haines Borough Code 3.60.100: 1) copy of a current Alaska business license; 2) copy of a current Haines Borough business license (or proof of registration and payment; forms are available on the borough's website: www.hainesalaska.gov/forms); and 3) copy of an Alaska contractor's certificate of registration. Contractor must provide proof of being licensed to perform electrical work in the state of Alaska.

<u>Borough's Rights Reserved</u>: The borough reserves the right to reject any or all quotes, to waive any informality in a Quote, and to make award to the lowest responsive, responsible Contractor as it may best serve the interests of the borough.

### Haines Borough Assembly Agenda Bill

Agenda Bill No.:  $\frac{13-209}{\text{Assembly Meeting Date:}}$ 

Subject:  Subject:  Purchase Port Security Cameras  Originator: Director of Public Facilities (Agenda Bill by Julie Cozzi)  Originating Department: Public Facilities  Date Submitted: 12/31/12  Full Title/Motion:  Motion: Adopt Resolution 13-01-431.
Purchase Port Security Cameras Originator: Director of Public Facilities (Agenda Bill by Julie Cozzi) Originating Department: Public Facilities Date Submitted: 12/31/12  Full Title/Motion:
Originator: Director of Public Facilities (Agenda Bill by Julie Cozzi) Originating Department: Public Facilities Date Submitted: 12/31/12  Full Title/Motion:
Director of Public Facilities (Agenda Bill by Julie Cozzi) Originating Department: Public Facilities Date Submitted: 12/31/12  Full Title/Motion:
Originating Department: Public Facilities Date Submitted: 12/31/12  Full Title/Motion:
Public Facilities Date Submitted: 12/31/12  Full Title/Motion:
Date Submitted: 12/31/12  Full Title/Motion:
Full Title/Motion:
-
Motion. Adopt Resolution 13-01-431.
Administrative Recommendation:
The manager recommends this.
The manager recommends this.
Fiscal Impact:
Expenditure Required Amount Budgeted Appropriation Required
\$ 18,075 \$ Grant Funds - See Summary \$ 0
\$ 10,075 \$ Grant tinus - See Summary \$ 0
Comprehensive Plan Consistency Review:
Comp Plan Policy Nos.: Consistent: Tyes No
Summary Statement:
The Haines Borough Assembly in March 2012 accepted a grant offer for installation of chain link security fencing,
gates and cameras at the Lutak Dock and cameras at the Port Chilkoot Dock in the amount of \$232,946 from the
S. Department of Homeland Security through the Marine Exchange of Alaska, Inc. The assembly in October 2012
authorized the Borough Manager to enter into an agreement with Roadrunner Fence Co. for installation of chain lin
security fencing and gates at Lutak Dock in the amount of \$128,500 and that portion of the project is substantially complete. The project scope in the grant agreement includes cameras at the Lutak Dock and cameras at the Port
Chilkoot Dock, and the borough received quotes for the minimum number of cameras needed (three) for this project
(the borough has not gone camera crazy). After soliciting quotes, the director of public facilities recommends
purchasing from Action Security Inc. of Anchorage.
Referral:
Sent to: Date:
=
Recommendation: Refer to: Meeting Date:
Recommendation: Refer to: Meeting Date:

### HAINES BOROUGH RESOLUTION No. 13-01-431

### Draft

A Resolution of the Haines Borough Assembly authorizing the Borough Manager to purchase security cameras from Action Security, Inc. for \$18,075 as part of a grant for installation of chain link security fencing, gates and cameras at the Lutak Dock and cameras at the Port Chilkoot Dock.

**WHEREAS**, the Haines Borough Assembly in March 2012 accepted a grant offer for installation of chain link security fencing, gates and cameras at the Lutak Dock and cameras at the Port Chilkoot Dock in the amount of \$232,946 from the U.S. Department of Homeland Security through the Marine Exchange of Alaska, Inc.; and

**WHEREAS**, the assembly in October 2012 authorized the Borough Manager to enter into an agreement with Roadrunner Fence Co. for installation of chain link security fencing and gates at Lutak Dock in the amount of \$128,500; and

WHEREAS, that portion of the project has been substantially completed; and

**WHEREAS**, both the Lutak Dock and Port Chilkoot Dock are designated as "secure areas" in accordance with Transportation Worker Identification Credential (TWIC) regulations and the Facility Security Plan; and

**WHEREAS**, the project scope in the grant agreement includes cameras at the Lutak Dock and cameras at the Port Chilkoot Dock; and

**WHEREAS**, the borough followed required procurement procedures to receive quotes for cameras, and the recommended vendor is Action Security, Inc. of Anchorage who provided a quote of \$18,075 for three weather-resistant cameras; and

WHEREAS, there are sufficient grant funds available for the cameras,

**NOW, THEREFORE, BE IT RESOLVED** that the Haines Borough Assembly authorizes the Borough Manager to purchase cameras from Action Security, Inc. for \$18,075 as part of a grant for installation of chain link security fencing, gates and cameras at the Lutak Dock and cameras at the Port Chilkoot Dock.

Adopted by a duly-constituted quorum of the	e Haines Borough Assembly on this day
of, 2013.	
	<del></del>
	Stephanie Scott, Borough Mayor
A.I.	
Attest:	
Julie Cozzi, MMC, Borough Clerk	
Julie Cozzi, Minic, Borough Clerk	



Herb Sheakley		For:	Haines Borough
2430 Cinnabar Loop			907-766-2257
Anchorage AK 99507			
(907) 334-5539 juneau@actionsecurity.com		Attn:	Carlos Jimenez
December 17, 2012			
December 17, 2012			
Action Security, Inc. is ploquote to provide and inst	•	this solution to your growing security needs. Th tion.	e following is the requested
Equipment:		CCTV	
	3 ea 2 ea 2 ea 3 ea 450 ea 450 ea 6 ea	Arecont 20MP, 4 lens 180 Camera ALTV244 24vac 4-output @ 4A OpenEYE 8 Channel 2TB NVR ARECONT Pole Mount Adapter CAT5E 4C/22G Non-Shielded Baluns	
		Freight	
		Tax (if Applicable)	
	Option 1: Total Inv	estment for above Equipment Installed:	\$18,075.00Initial
	Option 2: Your	Approximate Monthly Lease Payment:	(OR) <b>\$609.13</b> nitial
Annual Carvina Agraam	ont	(48 mos, OAC)	Not Offered
Annual Service Agreem Clean, Service, Inspect system to		included. Preferred Labor rates and Priority Response for repa	Not OfferedInitial ir and new installations.
			Not Applicable
equipment that all instructions to installing even at this temper manufacturers warranty. If ted	be read and understorerature or the camera thickness the camera thickness the camera the	ment for install by the customer. We highly recommend to bood. Cameras cannot be powered up in weather colder the will not work and can become inoperable. If it fails due to ded or a technician is needed to be dispatched to site the tion of Haines. Please provide the shipping address. Please	nan 0°. The camera must be warm prior of this it is NOT covered under the in this will be billed as time and material, ase allow 3-6 weeks for delivery.
		FIRE	Sign
		Date	

**≡TimePayment** AND **≥MARLIN**®

#### ·----

#### **Exclusions**

The following items are specifically not included in this proposal:

- Trouble-shooting of network connectivity issues. Please note: Action Security has IT technicians on staff that can provide network support. The labor rate for this service is \$125.00 per hour for regular time or \$175.00 per hour for overtime.
- Integration of any new systems or equipment into existing systems unless listed above.
- Cutting, patching, caulking or painting of any finishes (sheetrock, pavement, roofs, concrete, landscaping, fire stopping, sealing of exterior openings, etc.).
- Conduit or electrical wiring installation (high-voltage >24v) unless listed above.
- Any code upgrades deemed necessary by the authority having jurisdiction or required by the National Electrical Code. If our crews notice any code discrepancies while they are on site, they will be brought to your attention.
- · Removal of demolished items from site.
- Disposal of any hazardous waste or asbestos related work requiring certified or specially trained workmen. If there is any asbestos in the building, it shall be the owner's responsibility to notify us prior to the start of work.
- Temporary heating (Work is not allowed to be performed below 20 degrees Fahrenheit in order to prevent damage to the wiring and/or electronic equipment).
- Fire alarm, fire alarm systems recertification, fire alarm permits, intercom, door holders, or other alarm systems or ADA upgrades unless listed above.

### **Warranty and Other Information**

- Warranty period for labor and installation is 90 days after project completion.
- The specific manufacturer determines warranty period for installed equipment.

#### **Terms**

- This proposal is valid for a period of 30-days. If it is acceptable, please sign and fax a copy of this proposal, as well as the attached customer profile to my attention at (Juneau/Anchorage 907-272-9331 / Fairbanks 907-451-7954). Final execution of this proposal will be based on a satisfactory financial review by Action Security's accounting department / CFO.
- Upon execution of this proposal a **deposit of 50% will be required** before material can be ordered for this project, unless otherwise approved by the department manager. Billing will then be based on the materials and labor furnished during the billing month. All bills would be due on the tenth of the month following the billing date. All past due accounts would be subject to a service charge of 1 1/2 % per month or the maximum allowed by law.
- Any additional work requested; all materials / equipment would be billed at standard list price. All additional labor would be billed at a rate of \$108.00 per hour for regular time (not over 8 hours per day or 40 hours per week and between the hours of 08:00 and 17:00) or \$135.00 per hour for overtime (any scheduled time worked other than as listed for regular time above, on weekends, or on holidays). This proposal is **not** based on the prevailing (Davis-Bacon) wage schedule.
- Upon signing the Proposal Acceptance there is a 72-hour cancellation period at no charge to the customer. After the lapse of the 72-hour cancellation period a 20% restocking fee will be charged.

If you have any questions or cond	erns, feel free to contact me at	(907) 334-5539
Sincerely,	I have read and understand Exclus	sions, Warranty, and Terms.
Herb Sheakley		
Action Security, Inc Security Consultant	Custom	er Signature



## **N-SERIES - PROFESSIONAL GRADE NETWORK RECORDERS**

### OE5-N3U



### **DESCRIPTION**

OpenEye's N-Series is an enterprise level network video recording solution with virtually unlimited scalability. Available in a 3U chassis, the N-Series supports third-party integration for access control systems and central station monitoring.

OpenEye N-Series recorders can be scaled from one camera to thousands allowing you the flexibility to meet the unique demands of enterprise level IP installations. With features such as active directory integration, camera discovery protocols, and central management software, the N-Series makes it easy to deploy and administer an IP surveillance solution.

N-Series recorders support H.264, MPEG-4, and MJPEG multi-codec recording, mega-pixel cameras, as well as up to 6TB of internal storage. Integration with all major IP camera manufacturers, including PTZ, sensor, and audio on most supported models, allows you the freedom to select the products that work best for your installation. You don't need to worry about being locked into one, or only a few, proprietary brands.

Whether installing an NVR at a single site or deploying a nationwide central monitoring solution, the N-Series is the right choice for your IP video management needs.

### **FEATURES**

- » Virtually unlimited scalability
- » Dynamic IP camera discovery and configuration
- » H.264 / MPEG-4 / M-JPEG codec support
- » Support for active directory
- » Supports server-side and edge motion detection
- » Dual monitor support
- » Includes complete remote software solutions package
- » ONVIF™ compliant
- » ReportStar® ready
- » Free mobile apps for smart phones

www.openeye.net

# **N-SERIES - PROFESSIONAL GRADE NETWORK RECORDERS**

PRODUCT SPECIFICATION	NS			
		N3		
Camera Channels	8	16	32	
Looping Outputs		N/A		
Max IPS Per Channel	30			
Recording Rate	Dependent	on the resolutions the network video devi	ice supports	
Live Display Rate	120	) IPS (Limited to four channels on live disp	play)	
Audio Channels	Up to 1	3, dependent on network video device ca	pabilities	
Video Outputs		1 DVI-I (with VGA adapter), 1 HDMI		
Digital Relay Outputs	Up to 1	6, dependent on network video device ca	apabilities	
Alarm Sensor Inputs	Up to 1	6, dependent on network video device ca	apabilities	
Image Compression		H.264, MPEG-4, M-JPEG		
Recording Resolutions	Dependent	on the resolutions the network video devi	ice supports	
Video Signal Loss Detection		Yes		
Motion Detection	Up to 15 custom motion areas / Adjustable Sensitivity			
Remote Operation	Setup Access, Search, Live View, PTZ, Backup			
Remote Software	OpenEye Remote, RADIUS, Web Viewer (ActiveX, Java), MDVR			
PTZ Control	Yes Via IP Protocols			
Recording Mode	Continuous, Motion Detection			
Playback Search	Multiple Enhanced Search Capabilities			
Backup		DVD±RW, Network, USB 2.0, 3.0, eSATA		
Digital Signature Support		Digital Signature Support on AVI and JPG		
Dynamic DNS		Free for Life of Product		
Operating System		Microsoft® Windows 7® Embedded		
Storage (Size)		2TB Standard / Up to 6TB		
External Storage Options		Ultra-320 SCSI Interface (Optional)		
Dimensions	<b>L:</b> 19.5	" (495mm) x <b>W:</b> 17.2" (437mm) x <b>H:</b> 5.8" (	148mm)	
Warranty		3 Years / 1 Year Advance Replacement		

N3 MODELS	
OE5-N3U32	32 Channel 3U NVR
OE5-N3U16	16 Channel 3U NVR
OE5-N3U08	8 Channel 3U NVR

Storage Amounts: 2TB, 4TB, 6TB

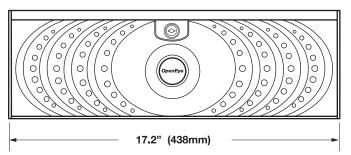
SOFTWARE SOLUTIONS
Remote Software (Connects to one recorder at a time)
RADIUS Multi-Site Software (Manages 100+ recorders simultaneously)
Emergency Agent (Alarm management)
Backup Viewer (Plays exported video in its proprietary format)
MDVR (iPhone 3G / 3GS / 4, iPod Touch, iPad, Android, BlackBerry Bold*)

\*Select models

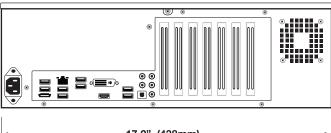
# **N-SERIES - PROFESSIONAL GRADE NETWORK RECORDERS**

### **SYSTEM IMAGES**

#### **FRONT**

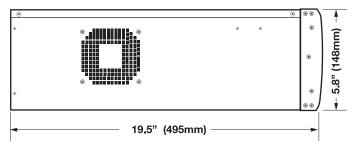


#### **BACK**



17.2" (438mm)

#### SIDE



<b>ACCESSORIES</b>	UPGRADES
HARDWARE	
HD-AD29320	Internal SCSI adapter upgrade. This adapter is used to connect to external storage devices.
NP-INEXPI9301	Intel network adapter upgrade. Adds secondary 10/1001000 NIC.
SOFTWARE	
SW-SG*	SaleGuard POS.
AC-2PSER	2 Port serial card for POS applications.
AC-4PSER	4 Port serial card for POS applications.
AC-8PSER	8 Port serial card for POS applications.
SW-NVRUPG1	1 Channel NVR software upgrade
SW-NVRUPG4	4 Channel NVR software upgrade
SW-NVRUPG8	8 Channel NVR software upgrade
SW-NVRUPG12	12 Channel NVR software upgrade.
SW-NVRUPG16	16 Channel NVR software upgrade
SW-NVRUPG32	32 Channel NVR software upgrade
OE5-PERFUPG	Performance Upgrade Package for HVR/ Analytics. Includes a faster CPU and increased memory.
OE5-PERFUPGF	Performance Upgrade Package for HVR/ Analytics. Includes a faster CPU and increased memory. This is a field upgrade.
SW-TSA*	TruSight video analytics.

\*Contact your OpenEye sales representative for more information.



### Haines Borough Assembly Agenda Bill

Agenda Bill No.:  $\frac{13-210}{1/8/13}$ Assembly Meeting Date:  $\frac{1/8/13}{1}$ 

Ducinose Itom Decerimation		_		
<b>Business Item Description</b>		chments:		
Subject:		1. Resolution 13-01-432 wak 2. Shakwak Project - Vital Strategic Link		
Support Restoration of U.S. Funding				
Program Originator:		<ul><li>3. June 2011 Shakwak Project Status Report</li><li>4. 1977 Shakwak Project Agreement</li></ul>		
Borough Manager (Agenda Bill by Cl		Charwart Tojoot7	groomone	
Originating Department:	ierk's Office)			
Administration				
Date Submitted:				
12/31/12				
Full Tible /Makiem				
Full Title/Motion:				
Motion: Adopt Resolution 13-01-432	•			
Administrative Recommer	ndation:			
The manager recommends this.				
Fiscal Impact:				
Expenditure Required	Amount Budget	ed A	ppropriation Required	
	_	cu A		
\$	\$		\$ 0	
Comprehensive Plan Cons	istency Review:			
Comp Plan Policy Nos.:		stantı 🖾 Vas 🗀	IN a	
Page 99	Consi	stent: 🛛 Yes	No	
Objective 3J, Page 109				
	·			
Summary Statement:				
In 1977, the Shakwak Agreement wa	as signed by the Canadian ar	nd United States dov	ernments The Agreement set	
out the terms and conditions for the u		of 325 miles of high	way, and the goal of the	
Shakwak Program was and continue	es to be the reconstruction of	of 325 miles of high the North Alaska Hi	way, and the goal of the ghway and the Haines Road to	
Shakwak Program was and continue a modern, all-weather two-lane pave	es to be the reconstruction of ed highway to be funded by the	of 325 miles of high the North Alaska Hi le United States with	way, and the goal of the ghway and the Haines Road to n year-round maintenance to be	
Shakwak Program was and continue a modern, all-weather two-lane pave funded by Canada. To pay for U.S. of	es to be the reconstruction of ed highway to be funded by the obligations, Federal Dept of T	of 325 miles of high the North Alaska Hi le United States with ransportation progra	way, and the goal of the ghway and the Haines Road to n year-round maintenance to be am funds have been authorized	
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### HAINES BOROUGH RESOLUTION No. 13-01-432

### Draft

A Resolution of the Haines Borough Assembly Supporting Restoration of U.S. Department of Transportation funding for reconstruction of the Haines Road and Alaska Highway, otherwise known as the Northwest Highway System or Shakwak Program.

**WHEREAS**, the Alaska Highway and Haines Road, collectively known as the Northwest Highway System, were constructed by the United States government during World War II for defense against a Japanese invasion; and

**WHEREAS**, in 1945, after the war, the Northwest Highway System was transferred to Canada but the northern section of the Alaska Highway and the Haines Road soon fell into disrepair and, since these highways were important to the United States and Alaska, discussions between Canada and the U.S. commenced on upgrading the northern sections; and

WHEREAS, in 1977, the Shakwak Agreement was signed by the Canadian and United States governments, the Agreement set out the terms and conditions for the upgrading and maintenance of 325 miles of highway, and the goal of the Shakwak Program was and continues to be the reconstruction of the North Alaska Highway and the Haines Road to a modern, all-weather two-lane paved highway to be funded by the United States with year round maintenance to be funded by Canada; and

**WHEREAS**, these highways are instrumental to trade, tourism, jobs, access to medical care, energy and mineral development and are critical to the transport of goods between Alaska and the lower 48 States; and

**WHEREAS**, a viable and safe Northwest Highway System is vital to local economic development in Haines and the Borough's plans to develop Port Lutak as a deep water port; and

**WHEREAS**, deterioration of the Northwest Highway System due to lack of U.S. funding could influence Canadian decision-making on transport of minerals and ore mined in the Yukon Territory using Haines as an access and shipment center; and

WHEREAS, to pay for U.S. obligations under the Shakwak Agreement, Federal Department of Transportation program funds have been authorized in surface transportation legislation since 1973, the most recent being in Public Law 109-59 (SAFETEA-LU) and its subsequent short-term extensions; and

**WHEREAS**, the Congress failed to reauthorize funds in Public Law 112-141 (MAP-21), thereby jeopardizing reconstruction of the highway and its operations,

**NOW, THEREFORE BE IT RESOLVED** that the Haines Borough Assembly requests that the Alaska Delegation make restoration of Shakwak Program funding a high priority during consideration of reauthorization of Federal transportation legislation in the 113<sup>th</sup> Congress.

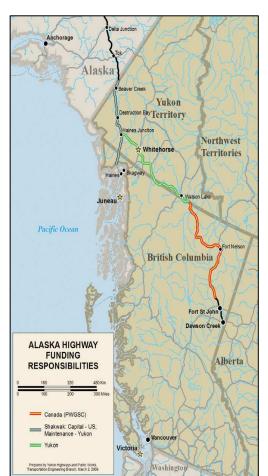
consideration of reading leading of reading transportation	in legislation in the 110 congress.
Adopted by a duly-constituted quorum of the Haines, 2013.	s Borough Assembly this day of
Attest:	Stephanie Scott, Borough Mayor
Julie Cozzi, MMC, Borough Clerk	

# The Shakwak Project: A Vital Strategic Link

### WHAT IS THE SHAKWAK PROJECT?

The Shakwak Project is the result of an enduring international treaty that celebrates a rich history of partnership between the United States and Canada.

Under the 1977 treaty, the U.S. funds reconstruction of 325 miles of the Haines Road and the Alaska



Highway within Canada. The Government of Yukon manages the reconstruction and maintains the highways for year round access.

#### WHY IS THE SHAKWAK IMPORTANT TO THE U.S.?

**National Security** – The Shakwak provides the only year round land - based link between the lower 48 states and the American Arctic; an immense region with significant military, economic and environmental importance.

**Economic Development** – This secure, established, transportation corridor is a key economic enabler for the entire region connecting marine ports in Alaska and Canada with domestic and international markets; moving commodities, goods, services, and people.

**Energy Security** – The corridor supports ongoing development of energy projects in the Arctic region critical to the establishment of secure domestic energy sources for the future.

**Tourism** - The north and the Arctic hold incredible potential as a tourism destination. The Alaska Highway is already a recognizable brand within the tourism industry and the Shakwak provides a base to continue to grow this segment of the economy.

### WHAT HAS BEEN ACCOMPLISHED SO FAR?

There has been significant progress made over the life of the Shakwak Project including:

- √ 325 Miles of reconstructed highway,
- √ 90 Miles of paving completed,
- √ 5 major bridges replaced,
- ✓ BST or Pavement over entire route,
- Internationally recognized Permafrost Research station established





#### **HOW MUCH HAS BEEN SPENT?**

Although Shakwak funding has not been consistent over the life of the project, since 1977 approximately \$490 Million has been allocated towards capital improvements.

In the same period Canada and the Yukon have spent an

additional \$1.5 Billion on improvements and maintenance of the

remaining portions of the Alaska Highway. Yukon has also made significant improvements to the Klondike Highway, another key link to the Alaskan panhandle. An estimated 80% of the traffic on the Haines Road and North Alaska Highway is travelling to or coming from the U.S.



#### WHAT IS LEFT TO DO?

**Permafrost Rehabilitation** - To meet the terms of the Shakwak Agreement it is necessary to first stabilize and rehabilitate areas most susceptible to permafrost melting between Destruction Bay and the Alaska/Yukon border (145 Miles). Estimated cost is \$70 Million and it is expected it will take at least seven years or longer to complete this work.

**Paving** – Paving from Haines Junction to Destruction Bay (67 Miles) could be done now with funding of approximately \$40 Million over five

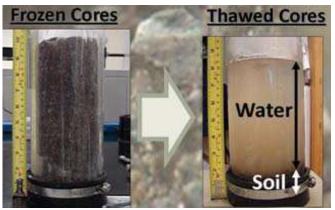
years. Paving the remainder of the route between Destruction Bay and Beaver Creek (145 Miles) can be completed to fulfill the terms of the agreement once permafrost rehabilitation is complete. This has an estimated cost of \$90 Million and could be done over eight years.

**Annual Funding Requirements** – Depending on the level of paving activity desired, annual funding allotments of \$12 - \$15 Million (2012 \$) are required to complete the project.

#### WHY IS PERMAFROST AN ISSUE?

Melting permafrost presents the most significant technical challenge to maintaining a safe and reliable highway connection.

Permafrost is ice rich soil that normally stays frozen year round. In a frozen state it provides a suitable



base for a road however when it melts it causes severe distortions of the road surface as well as significant cracking along the road shoulders.

Permafrost melt creates significant safety issues for highway users and increases costs of all transported goods.

Yukon's highway maintenance costs are over 5 times higher in these permafrost areas than in areas immediately adjacent.

# Shakwak Highway Project

# United States / Canada International Agreement

**Status Report** 



### Prepared by:

### Yukon Highways and Public Works

**June 2011** 

### **Contents:**

- Strategic Importance Alaska's Major Land Link to the Lower Forty Eight.
- What Remains to be Done.
- History of the Project and Place in U.S. Legislation.
- Consequences if Funding is Discontinued.
- Appendices:
  - The Terms of the Shakwak Agreement
  - Funding Summary
  - Maintenance Costs
  - o Permafrost as Addressed in the Agreement

### **United States / Canada International Agreement**

### Strategic Importance - Alaska's Major Land Link to the Lower Forty Eight

The North Alaska Highway and Haines Highway form the only land connection between the National Highway System in the separated areas of Alaska. The Alaska Highway is the only year round land connection between the National Highway System in the Lower 48 and Alaska. Therefore these highways play a key strategic role in relation to US security, tourism and commercial transportation.

### **National Defense**

- ♣ The Alaska Highway is strategically important to the US as it is the only access by land between the Lower 48 States and the Pacific Command bases located in Alaska
- ♣ 80% of all goods and commodities, including military materiel, are shipped to Alaska by sea through the Port of Anchorage. A long term disruption in the port operations in Anchorage would seriously disrupt DOD logistics. DOD relies on the Alaska Highway as an alternative route from the "lower 48"

### **Energy Security**

♣ The Alaska Highway is of critical importance to construction of the proposed Alaska Natural Gas Pipeline. Good highway access will have a large impact on construction logistics and costs. The Highway also plays an important role in resupply for oil production on Alaska's north slope.

### **Tourism**

♣ Tourism is important to Alaska's economy and a large number of US citizens visit Alaska each year via the Alaska Highway. 80 to 85% of traffic on the North Alaska Highway is American. Visitors to Alaska need a safe well maintained highway in order to sustain the tourism industry

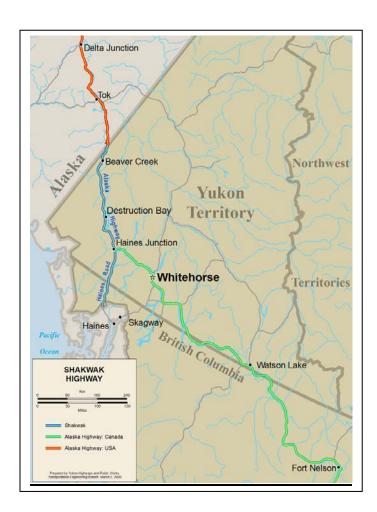
### **Trucking**

Lynden Transport of Seattle, WA comments:

- Reconstructing the Haines Road and the North Alaska Highway is critical to truckers carrying goods between the lower forty-eight states and Alaska. Bringing that part of the road up to the same standard as the rest of the highway will enable truckers to complete deliveries on time, reduce energy costs and extend the life of vehicles.
- These highways are instrumental to trade, tourism, jobs, access to medical care and all other necessities of life.

### **United States / Canada International Agreement**

### What Remains to be Done



### **Haines Highway:**

- ♣ Asphalt concrete paving is 64% complete (includes work scheduled for 2011)
- ♣ 63 kms (39 miles) of asphalt concrete paving still to be completed at an estimated cost of \$33 million in 2011 dollars

### North Alaska Highway

- ♣ Earthworks, Drainage structures, gravel base course and interim asphaltic surface treatment is 100% complete.
- Replacement of major bridges in 100% complete
- ♣ Asphalt concrete paving is 2% complete
- ↓ 100 kms (62 miles) of asphalt concrete pavement still to be completed on stable section of highway at an estimated cost of \$53 million in 2011 dollars
- Repeated restoration of 218 kms (136 miles) of highway is necessary for the foreseeable future in areas of thaw unstable permafrost until the subgrade has reached equilibrium and distortions have stabilized. This is estimated to cost \$70 million in 2011 dollars over the next 15 to 20 years.
- One small bridge remains to be upgraded at an estimated cost of \$3 million in 2011 dollars
- ♣ Future paving of 218 kms (136 miles) when the permafrost is sufficiently stabilized. The estimated cost in 2011 dollars is \$115 million.

### **United States / Canada International Agreement**

### **History of Project and Place in US Legislation**

- → The Alaska Highway and Haines Road, collectively known as the Northwest Highway System, were constructed by the United States army and civilian contractors hired by the United States government during World War 2 for defense against a Japanese invasion of Alaska.
- ♣ In 1945, following the war, the Northwest Highway System was transferred to Canada.
- ♣ After the transfer Canada focused its maintenance and upgrading efforts on the portion of the Alaska Highway south of Whitehorse, Yukon's capital, since few Canadian residents lived north of the city.
- ♣ The northern section of the Alaska Highway and the Haines Road fell into disrepair and in 1955, since these highways were still important to the United States and Alaska, discussions between Canada and the USA commenced on upgrading the northern sections.
- ♣ In 1973 Public Law 93-87 established a program to upgrade the northern section of the Alaska Highway and the Haines Road in Canada under title 23 United States Code, Sec. 218. The program was subject to the negotiation of a suitable agreement with Canada.
- ♣ In 1977 the Shakwak Agreement was signed by the Canadian and United States governments. The Agreement set out the terms and conditions under which upgrading of 325 miles of highway would proceed.
- ♣ The goal of the Shakwak Program was and continues to be the reconstruction of the North Alaska Highway and the Haines Road to a modern, all-weather 2 lane paved highway to be funded by the United States with year round maintenance of the reconstructed highway to be funded by Canada.
- ♣ Program funds have been authorized in surface transportation legislation since 1973, the most recent being in Public Law 109-59 (SAFETEA-LU). The funding has been continued in various extensions since SAFETEA-LU expired on Sept 30, 2009.

### **United States / Canada International Agreement**

### **Consequences if Funding is discontinued – Unsustainable Maintenance Costs**

- ↓ Under the Shakwak Agreement, Canada has agreed to maintain the highways after construction while the Agreement remains in force and effect. In 1992 Canada devolved the maintenance responsibility for the Alaska Highway and Haines Highway to the Government of Yukon. Yukon agreed to comply with the terms and conditions of the Shakwak Agreement in the performance of its Operation & Maintenance responsibilities.
- ➡ If Shakwak funding is discontinued prior to the highway reconstruction being completed as per the terms and conditions of the Agreement, Yukon will be burdened with additional costs. These costs relate to maintenance and rehabilitation of the thin asphaltic surface on areas where the asphalt concrete paving is incomplete, and to restoration of the highway surface in areas of thaw unstable permafrost where the subgrade has not reached equilibrium.
- The greatest cost impact will be in relation to the unstable permafrost areas. Currently Yukon's summer maintenance costs in these areas are typically 5 to 6 times as much as in non-permafrost areas. This represents a premium for maintenance of \$2.2 million / year <sup>(1)</sup> for the 218 kms of the North Alaska Highway located on thaw unstable permafrost. This premium is in addition to the Shakwak funded surface restoration in these areas which requires an estimated expenditure of \$4.6 <sup>(2)</sup> million / year
- ♣ Should the Shakwak funding for surface restoration be discontinued Yukon's maintenance costs would increase by \$4.6 million per year effectively increasing current expenditures by 200% for the next 15 to 20 years or until the highway subgrade reaches a stable equilibrium.
- ♣ Such increased costs would likely be unsustainable for Yukon and as a result severe deterioration of the northern areas of the Alaska Highway would be inevitable.



Severe highway surface distress caused by differential settlement and cracking of the highway embankment

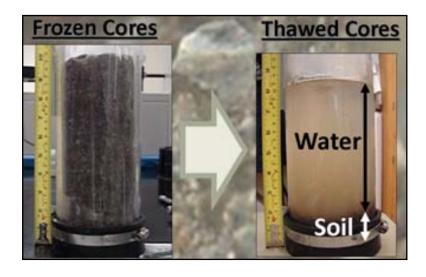
(1) Average summer maintenance costs over the past 5 years for the Beaver Creek section (permafrost) are \$12,266/km compared to \$2,293/km for the Haines Junction section (no permafrost). Maintenance premium due to thaw unstable permafrost is  $$(12,266 - 2,293) \times 218 = $2,174,288$  / year

(2) This estimate is based on a lifespan of 4 years for 50% of the 218 kms from Destruction Bay to the Canada/ US border at a surface restoration cost of \$170 k / km. [ $(218 / 2) \div 4 \times $170,000 = $4,632,500$ ] per year

### **United States / Canada International Agreement**

### Consequences (cont'd) - Highway Unreliable due to Permafrost Degradation

- Thaw unstable permafrost is a major problem along the North Alaska Highway particularly the 218 kms (136 miles) from Destruction Bay to the Canada / US border. Thawing of the warm ice-rich permafrost results in large settlements of the highway embankment causing severe surface distress. The current global warming trend exacerbates the problem.
- ➡ If the United States discontinues funding for the Shakwak Project before the requirements of the agreement are complete, the sections of the highway affected by thaw unstable permafrost will deteriorate rapidly.
- ♣ Unfortunately there is currently no proven cost effective technology for constructing a stable highway in this type of terrain. As a result, frequent restoration of the road surface is required in order to maintain a highway that is acceptable to users.
- As part of the effort to find adaptive measures to mitigate the effects of thawing permafrost, Yukon is coordinating a cooperative research program at a highway test section near Beaver Creek, Yukon. Several heat extraction techniques are being evaluated to determine their usefulness in stabilizing the highway embankment foundation. Some potential applications are emerging that may slow the permafrost degradation and improve safety for road users.
- ♣ Permafrost problems pose the greatest threat to the reliability of the North Alaska Highway and dealing with those problems is the most critical issue remaining on the Shakwak Project.



Ice rich permafrost is very strong in its frozen state and makes for a good highway foundation. However when it thaws the ice becomes water and the soil completely loses its ability to support the weight of the highway embankment

### **United States / Canada International Agreement**

### Appendix 1 - The Terms of the Shakwak Agreement

The key terms of the Shakwak Agreement between the United States and Canada to implement the purpose of section 218, title 23, United States Code are for:

- ♣ Canada to reconstruct the North Alaska Highway and the Haines Highway to standards agreed in writing prior to commencement of reconstruction.
- The United Stares to pay to Canada the cost of reconstruction out of funds appropriated for that purpose by the US Congress.
- ♣ Canada to provide necessary right of way for the reconstruction for a period of 25 years from the agreement coming into force and thereafter until 5 years after either party shall have notified the other that the right of way is no longer required for the purpose of the highways whereupon the agreement shall cease to have force and effect.
- ♣ Canada not to impose, or permit any highway toll to be charged for the use of the highways by vehicles or persons.
- ♣ Canada not to levy or assess, directly or indirectly, any fee, tax, or other charge for the use of the highways by vehicles or persons from the United States that does not equally apply to vehicles or persons of Canada.
- ← Canada to grant reciprocal agreement of vehicle registrations and drivers' licenses in accordance with agreements between responsible authorities in each country.
- ♣ Canada to maintain the highways after construction while the Agreement remains in force and effect.
- ♣ Canada to provide access to natural construction materials such as gravel, rock and earth fill to be used for the reconstruction.
- ♣ Canada to supervise the reconstruction and obtain the concurrence of the United States related to programming and administering the work.

### **United States / Canada International Agreement**

### **Appendix 2 - Funding Summary**

Funding for the reconstruction has been appropriated by the Unites States as follows:

Legislation	Authorization (\$ millions)	Appropriation (\$ millions)	Source
P.L. 93-87 (Federal Aid Highway Act of 1973)	58.7	36.7	General Funds
P.L. 97-424 (Surface Transportation Assistance Act of 1982)	38.1	38.1	Transfer from apportionments to State of Alaska for various programs
P.L. 102-240 (Intermodal Surface Transportation Efficiency Act of 1991	89.6	89.6	Interstate Construction funds
P.L. 105-178 (Transporation Equity Act for the 21 <sup>st</sup> Century)	94	84.9	National Highway System funds
P.L. 108-88; 108- 202; 108-224; 108- 263; 108-280; 108- 310; 109-14; 109-20; 109-35; 109-37; 109- 40; 109-42; (Surface Transportation Extension Acts of 2003, 2004 and 2005)	18.8	17.7	National Highway System Funds
P. L. 109-59 (SAFETEA-LU)	150	134.9	National Highway System funds
Surface Transportation Extensions for FY10 and FY11	60	56.1	National Highway System funds
TOTAL	522.2	458	

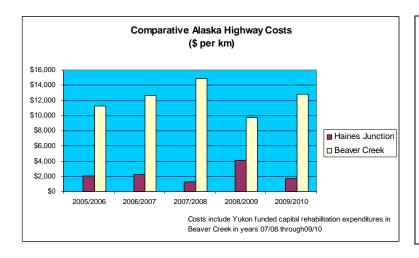
### **United States / Canada International Agreement**

### **Appendix 3 - Maintenance Costs**

- An analysis of Alaska Highway costs was completed early in 2011 with the objective of quantifying the maintenance and surface restoration costs in areas of thaw unstable permafrost.
- The analysis compared Alaska Highway summer maintenance costs for the Beaver Creek highway maintenance section which is entirely located in thaw unstable permafrost with the Haines Junction highway maintenance section which is not affected by permafrost. The Yukon government's cost / km based on the analysis is shown below.

#### **Haines Junction**

	Maintenance	Resurfacing	Capital	Total
2005/2006	\$2,022	\$78	0	\$2,100
2006/2007	\$1,419	\$803	0	\$2,222
2007/2008	\$1,265	\$32	0	\$1,297
2008/2009	\$2,540	\$1,579	0	\$4,119
2009/2010	\$1,731	\$0	0	\$1,731
Beaver Creek				
	Maintenance	Resurfacing	Capital	Total
2005/2006	\$3,415	\$7,839	\$0	\$11,254
2006/2007	\$3,374	\$9,253	\$0	\$12,627
2007/2008	\$2,706	\$9,364	\$2,838	\$14,907
2008/2009	\$4,389	\$4,587	\$733	\$9,709
2009/2010	\$4,009	\$6,513	\$2,316	\$12,837

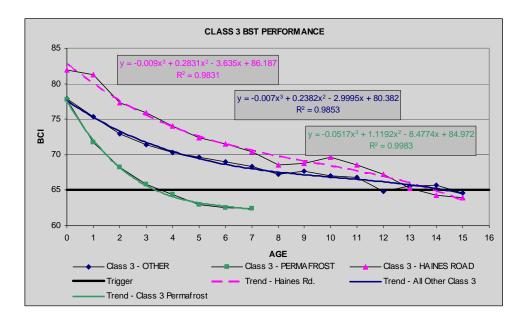


Yukon Government expenditures per kilometer on summer maintenance activities related to the surface condition of the highway are 5 to 6 times more for the Beaver Creek section compared to the Haines Junction section due to the highway being mostly constructed over thaw unstable permafrost.

### **United States / Canada International Agreement**

### **Appendix 3 - Maintenance Costs (cont'd)**

Further analysis examined the life span of the highway surface in areas of the north Alaska Highway constructed on thaw unstable permafrost in comparison with highway surface performance where permafrost is not present.



- ♣ The analysis shows that the highway surface deteriorates much more rapidly where thaw unstable permafrost is present as represented by the green line in the graph. Comparing this to the blue line which represents the performance of the same surface structure, but not affected by permafrost, it is easily seen that surface restoration is required much more frequently when permafrost is present every 3 to 4 years, compared to every 12 to 14 years when permafrost is absent.
- ↓ Typical surface restoration in permafrost affected areas of the Alaska Highway costs \$170,000 / km. This cost is incurred every 4 years until the highway subgrade reaches a stable equilibrium.

### **United States / Canada International Agreement**

### Appendix 4 – Permafrost as Addressed in the Agreement

- ♣ The Shakwak Project Procedures Manual agreed to by the United States and Canada establishes the standards to which the reconstruction is to be completed. Both governments recognized from the outset of the project that it would be necessary to address highway surface failures related to thaw unstable permafrost and a procedure was agreed regarding how this problem would be addressed
- ♣ Both governments agreed that repeated application of a thin asphaltic surface treatment would be required until the highway subgrade had reached equilibrium and the distortions had stabilized.

DEPARTMENT OF PUBLIC WORKS OF CANADA		ADA PACIFIC	C/WESTERN REGION	Page 4 of 4		
SHAKWAK HIGHWAY PROJECT			€0	Procedure Number E-3		
			PROCEDURES	Issue Date 1993-02-10	Rev. No.	
TITLE				Approved By		
	DES	GN CRITER	IA			
4.	ROAD STRUCTURE	.3	Minimum Thickness of	Structural Ble	ments	
	(CONT'D)	Asphal	ltic Concrete Lar Base Course	80 mm 160 mm		
		Granul	lar Subbase	Variable		
		asphal reboun	ional course(s) of tic pavement will be not values established al surfacing or where conditions.	placed as requi	ired based on ars following	
		provid improv	ders shall be surfaced de lateral stability t we safety and drainage	o the traffic	lanes and to	
		reache Service period surfac condit may be until distor	ermafrost areas, the tic concrete may have tic concrete may have lered complete until da a stable condition, and if of one year after see layer. In areas tions a thin flexible a used, with repeated the subgrade has retrions have stabilized placed until equiper through thaw indication or through ation.	of i.e. maintai 0 on a scale placement of of known 't asphaltic surf applications ached equilibrian ibrium has b	of 10 for a the latest haw unstable ace treatment as required, rium and the surface will seen achieved.	
		contri highwa	arly in areas where that to long term set to long term set to so that the set of the set	tlement or dis	stortion, the	
5.	BRIDGE DESIGN	See Procedur	re E-6.			
6.	HYDROLOGY AND HYDRAULICS	See Procedur	re E-4.			
7.	CULVERTS	See Procedur	re E-4.			

# EMBASSY OF THE UNITED STATES OF AMERICA

No. 11

Ottawa, January 11, 1977.

Sir:

I have the honor to refer to the discussions between representatives of our two governments regarding bilateral cooperation in the reconstruction of Canadian portions of the Alaska Highway.

As a result of these discussions, I now have the honor to propose that the conditions set forth in the attached annex, which accord with the understandings reached between the representatives of our two governments, should govern such reconstruction. These conditions shall not affect continuing obligations of the two governments regarding the status and use of the Alaska Highway, including the agreements effected by exchanges of notes dated March 17 and 18, 1942; November 28 and December 7, 1942; and April 10, 1943.

If these conditions are acceptable to your government,

I propose that this note, together with its annex, and your
reply indicating such concurrence, shall constitute an agreement
between our two governments, which shall enter into force on the
date of your reply. Accept, Sir, the renewed assurances of my
highest consideration.

Thuras O. Endus

The Honorable

Donald Jamieson,

Secretary of State

for External Affairs,

Ottawa.

### ANNEX

Agreed conditions regarding a program of cooperation between the Government of the United States represented by the Federal Highway Administrator, Department of Transportation, and the Government of Canada, represented by the Minister of Public Works, to improve certain highways in Canada to facilitate transportation between and within their respective countries, and to implement the purposes of section 218 of Title 23, United States Code. These shall apply only to the program authorized by that section.

The Government of the United States and the Government of Canada agree as follows:

### Article I

For purposes of this Agreement:

- 1. "Highways" means that portion of the Alaska Highway from the Yukon-Alaska border to Haines Junction in Canada and the Haines Cutoff Highway from Haines Junction in Canada to the British Columbia-Alaska border.
- 2. "Reconstruction" means the supervising, inspecting, actual rebuilding, paving, and all other work incidental to the reconstruction of the highways (except for providing right-of-way), including but not limited to planning studies, environmental studies, locating, surveying, plan and specification preparation, contracting, financial control, traffic control devices, and those utility relocations which are the responsibility of the Canadian Government.
- 3. "Maintain such highways" means to perform such work
  on a year round basis as shall be necessary to keep the completed
  highway and related facilities in a state of repair and use
  equivalent to the standards to which they are reconstructed
  under this Agreement.

#### Article II

- 1. The United States and Canada agree to the reconstruction of such Highways in accordance with standards agreed to by them jointly in writing prior to commencement of reconstruction.
- 2. The United States will pay to Canada the cost of reconstruction out of funds appropriated for that purpose by the Congress of the United States and will
- (a) Inform Canada of the amount of funds appropriated from time to time therefor in order that Canada may schedule and perform the reconstruction or such part thereof as may from time to time be paid for out of such appropriated funds,
- (b) Provide liaison with Canadian officials responsible for the program to meet and discuss planning, programming and scheduling of reconstruction, and
- (c) Process an Environmental Impact Statement in accordance with the laws of the United States and of Canada.

### 3. Canada will

- (a) Provide, without participation of the United

  States funds appropriated for the reconstruction, all necessary

  right-of-way for the reconstruction of such highways for a

  period of 25 years from the date of entry into force of this

  agreement and thereafter until five years (or such shorter period

  as the parties may agree upon) after either party shall have

  notified the other that the right-of-way is no longer required

  for its purposes for the said highways, whereupon this Agreement

  shall cease to have force or effect,
- (b) Not impose any highway toll, or permit any such toll to be charged for the use of such highways by vehicles or persons,

- (c) Not levy or assess, directly or indirectly, any fee, tax, or other charge for the use of such highways by vehicles or persons from the United States that does not apply equally to vehicles or persons of Canada,
- (d) Continue to grant reciprocal recognition of vehicle registrations and drivers' licenses in accordance with agreements between responsible authorities in each country,
- (e) Maintain such highways after reconstruction while this Agreement remains in force and effect,
- (f) Permit those performing the reconstruction to obtain natural construction materials, such as gravel, rock and earth fill, without cost to be used in the reconstruction, provided that the materials required shall be obtained in accordance with the directions and regulations of the appropriate Department of the Government of Canada,
- (g) Perform all reconstruction engineering, including preparation of Environmental Assessments and Statements, all necessary surveys, and preparation of reconstruction plans, specifications and estimates,
- (h) Commence the reconstruction only after receiving advice from the United States that the Environmental Impact Statement has been satisfactorily processed in accordance with the laws of the United States,
- (i) Arrange for the reconstruction to be performed under contracts awarded by competitive bidding insofar as possible and without regard as to whether the contractors are American or Canadian,
  - (j) Supervise the reconstruction,

- (k) Obtain interim and final concurrence of the United States in the following:
  - (1) Programming and scheduling of work.
  - (2) Scope, terms of reference and provisions of the Environmental Assessment and Statement.
  - (3) Alignment of the highways.
  - (4) Contract plans, specifications and estimates.
  - (5) Award of contracts.
  - (6) Acceptance of projects for final payment.
- (1) Permit the reasonable access of authorized representatives of the United States to the site of reconstruction and will make available the accounts and records relating to the reconstruction contracts, at all reasonable times, for purposes of inspection, verification and general monitoring of the reconstruction.
- 4. (1) The United States and Canada will jointly consider the settlement of claims by contractors or other persons arising out of reconstruction contracts and the reconstruction or either of them, and if any such claim cannot be resolved by agreement, the same shall be determined by the Federal Court of Canada in an action by or against Her Majesty the Queen in right of Canada,
- (2) All legal costs, and other monies, paid out by Canada to settle any such claim whether pursuant to a final judgment of the Federal Court of Canada, or otherwise, shall be one of the costs of reconstruction for the purposes of this Agreement.
- (3) The United States shall not be liable for the payment of such claims or judgments to the extent that they are held by the Federal Court of Canada to be the result of negligence on the part of Canada or its employees during the administration of the reconstruction.

5. The United States and Canada jointly will develop operating procedures consistent with this Agreement, including procedures for resolving disputes between the parties.

### Article III

This Agreement shall not be construed so as to vest in the United States any proprietary interest in the highways, and upon completion of the project, or any part thereof, the highways shall remain, in all respects, an integral part of the Canadian Highway System.

GWU/P. A. Lortie/2-1120/so

FILE DIARY DIV. CIRC.

DIST:

MIN-2

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PARL. SEC.

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### Note No. GWU-156

### Excellency,

I have the honour to refer to your Note No. 11 of January 11, 1977, concerning bilateral cooperation in the reconstruction of Canadian portions of the Alaska Highway.

I am pleased to inform you that the Government of Canada accepts the proposals set out in your Note and agrees that your Note, together with its Annex, and this reply, which is authentic in English and French, shall constitute an agreement between our two Governments which shall enter into force on today's date.

Accept, Excellency, the renewed assurances of my highest consideration.

Secretary of State for External Affairs

His Excellency Thomas O. Enders, Ambassador of the United States of America, Ottawa.

GWU/P.A. Lortie/2-1120/so

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le 11 fevrier 1977

### Note no GWU-156

### Excellence,

J'ai l'honneur de faire référence à votre Note nº 11 du 11 janvier 1977 au sujet de la collaboration de nos deux pays à la reconstruction de certains tronçons canadiens de la route de l'Alaska.

J'ai le plaisir de vous informer que les propositions énoncées dans votre Note agréent au Gouvernement du Canada et que ce dernier accepte que votre Note, ainsi que son annexe, et la présente réponse, dont les versions anglaise et française font également foi, constituent entre nos deux gouvernements un Accord qui entre en vigueur à la date de la présente réponse.

Veuillez agréer, Excellence, les assurances renouvelées de ma très haute considération.

Le Secrétaire d'Etat aux Affaires extérieures,

> ORIGINAL SIGNED BY ORIGINAL SIGNÉ PAR Don C. Jamieson

### Haines Borough Assembly Agenda Bill

Agenda Bill No.: 13-213
Assembly Meeting Date: 1/8/13

Business Item Description:	Attachments:
Subject:	1. Ordinance 13-01-311
Add Ex Officio Seat to the Parks & Recreation Advisory	2. PRAC Minutes of 11/8/12
Board	
Originator:	
Borough Manager (Agenda Bill by Clerk's Office)	
Originating Department:	
Administration	
Date Submitted:	
12/31/12	
Full Title / Metion:	
Full Title/Motion:	11. 1
Motion: Introduce Ordinance 13-01-311 and set a first pr	ublic hearing for 1/22/13.
Administrative Recommendation:	
Fiscal Impact:	
Expenditure Required Amount	Budgeted Appropriation Required
\$ \$	\$
1	<u>'</u>
Comprehensive Plan Consistency Review	v:
Comp Plan Policy Nos.:	Consistent: ☐Yes ☐No
	Consistent. Tes Eno
Commence Challenge and	
Summary Statement:	
	Committee decided to request a second ex officio seat on
	Department of Natural Resources. The committee met on
	Committee to discuss the idea, and the GAS recommends
consideration of this code amendment.	
Referral:	
Sent to:	Date:
Recommendation: Refer to:	Meeting Date:
Assembly Action:	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 1/8/13	Tabled to Date:



AN ORDINANCE OF THE HAINES BOROUGH AMENDING BOROUGH CODE TITLE 2, SECTION 2.105.020 TO ADD AN EX OFFICIO SEAT TO THE PARKS AND RECREATION ADVISORY COMMITTEE TO BE FILLED BY AN ALASKA DEPARTMENT OF NATURAL RESOURCES EMPLOYEE.

#### BE IT ORDAINED BY THE HAINES BOROUGH ASSEMBLY:

- Section 1. <u>Classification</u>. Section 4 of this ordinance is of a general and permanent nature and the adopted amendment shall become a part of the Haines Borough Code.
- Section 2. <u>Severability</u>. If any provision of this ordinance or any application thereof to any person or circumstance is held to be invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.
- Section 3. Effective Date. This ordinance is effective upon adoption.

Section 4. <u>Amendment of Section 2.105.020.</u> Section 2.105.020 of the Haines Borough Code of Ordinances is amended to read as follows:

NOTE: **Bolded**/UNDERLINED ITEMS ARE TO BE ADDED STRIKETHROUGH ITEMS ARE DELETED

## Chapter 2.105 PARKS AND RECREATION DEPARTMENT

#### 2.105.010 Haines Borough parks and recreation department.

The purpose of the parks and recreation department is to maintain, promote, and facilitate the use of borough-owned parks and recreational facilities; and to facilitate recreational activities in general in the Haines Borough.

#### 2.105.020 Parks and recreation advisory committee.

The parks and recreation department advisory committee shall consist of seven members who shall serve staggered terms of three years. Advisory committee members shall not receive compensation for services rendered. The community youth development coordinator shall serve as an eEx officio members of the advisory committee shall be the community youth development director and an Alaska Department of Natural Resources employee who meets the local residency requirements of HBC 2.60.020. Members will be appointed to reflect the diversity of user groups in the Haines Borough.

### 2.105.030 Organization of the parks and recreation advisory committee.

- A. The advisory committee shall elect a chairperson, a vice-chairperson, and a secretary, who shall hold their offices for one year.
- B. The advisory committee shall operate under the bylaws of the parks and recreation advisory committee.
- C. Advisory committee meetings shall be held as often as required. Once approved by the board, a copy of the committee meeting minutes shall be delivered to the borough clerk for inclusion in the assembly's next meeting packets.

#### 2.105.040 Advisory committee vacancies – Filling vacancies.

A member's position on the advisory committee shall be deemed vacated if the member fails to attend three consecutive meetings without being excused by the advisory committee. In the event of a vacancy on the advisory committee, either at the end of the committee member's regular term, or if the seat is vacated by resignation or nonattendance, the borough clerk shall advertise for replacement committee member(s) as set out in HBC <u>2.60.055</u>. The advisory committee shall review all applications for new committee member(s), making recommendations for appointment to the mayor. The mayor shall, after reviewing all applications, and considering

### Haines Borough Ordinance No. 12-10-307 Page 2 of 2

the committee's recommendation(s), appoint a new member or member(s) subject to confirmation by the borough assembly.

# **2.105.050 Duties and responsibilities of the parks and recreation advisory committee.** The parks and recreation department advisory committee shall:

A. Advise the borough in the operation and maintenance of parks and recreation programs, facilities, and activities.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE DAY OF, 2013.	HAINES BOROUGH ASSEMBLY THIS
ATTEST:	Stephanie Scott, Mayor
Julie Cozzi, MMC, Borough Clerk	
Date Introduced:/_/_ Date of First Public Hearing:/_/_ Date of Second Public Hearing:/_/_	

### Haines Borough Parks and Recreation Advisory Committee

Meeting Minutes, November 8, 2012

Members Present: Ron, Meredith, Jessica, Steve R. (CYD)

Members Excused: Jennifer, Marne.

Guests: Preston, Tanya, Darsie, Norm Hughes.

**Quorum:** Yes. (Our committee is down to 5 voting members at this time)

**Public Comments:** Norm Hughes discussed the absence of parks governance in borough code and encouraged us to provide input to the Borough on that matter.

**Minutes:** Unanimously approved minutes from the past two meetings (Sept 5, 2012 and Oct 4, 2012). M/S Kayser/Pochardt

Chair and Vice Chair positions: Unanimously approved Ron as Chair. M/S Kayser/Pochardt.

Unanimously approved Meredith as Vice Chair. M/S Jackson/Kayser.

Had some discussion about Secretary position and the need for one. Notetaking in the past was by staff CYD director. Meridith agreed to take minutes at this time.

**Future Projects Discussion**: Ron brought up getting an official MOU from non-Borough landowners that have public trails crossing their property. Darsie said that the Borough is already looking into this with Mental Health for the section of the Riley trail that crosses their land. The Borough will not be investing future money on these trails without an MOU. There was discussion on possibly salvaging lumber from the PC dock improvements to be used on the Battery Pt. trail. From this discussion it was suggested that in order to tackle the various tasks that we are all interested in we should establish sub-committees that can focus on specific aspects of PARC. The three that were decided upon at this time were: trails, policy, and facilities/events. Sub-committee members will be chosen at our next meeting. M/S Jackson/Kayser

**Vacant Seats:** Reviewed two applications for vacant committee seats (Menke and Hoffman) and unanimously decided to forward to Mayor the application of Daymond Hoffman for approval. M/S Kayser/Pochardt

Discussed the interest in keeping Logan's vacated seat as a student seat. The group felt there were a lot of good reasons to involve students in government and this would be a good opportunity. We decided to recommend that the Mayor create a student seat on the committee and have it an Ex-Officio position. M/S Kayser/Jackson.

We also decided to recommend to the Mayor creation of a seat for an AKDNR position on the committee. This seat would also be an Ex-Officio one (Note: This was done previously and no action has been taken on it at this time.) If this were to be done, it was brought up that our current bylaws only have the CYD director as ex officio and they would need to be amended.

Haines Hustle: The Fair has approached us with a proposal to partner with them to organize the Haines Hustle. Preston brought up that, although it is something that has been overlooked in the past, it is required to obtain a permit to have this race since it is on State Park land. Darsie brought up that this sponsorship may be better suited for a non-profit organization (such as well and fit) rather than a Borough committee. If it ends up getting too big the Borough may not be willing to support it.

This topic can be taken up by the Facilities/Events committee at the next meeting.

Meeting adjourned at 7:30pm.

Next meeting on Wednesday, Dec 5<sup>th</sup>, 5:45pm.

### Haines Borough Assembly Agenda Bill

Agenda Bill No.:  $\frac{12-216}{1/8/2013}$ 

	Attachme	iits:
Subject:		commended Appointments
		or (re)appointment and Board
Mayoral Appointments	Recommenda	lions
Originator: Mayor Scott (agenda bill by the clerk's	office)	
Originating Department:	omce)	
Mayor		
Date Submitted:		
12/31/2012		
Full Title/Motion:		
	tments of Dave Pahl to the Museur	m Board of Trustees and Riverview Drive
		r new three-year terms ending 11/30/2015.
Administrative Recommend	lation:	
Administrative Recommend		
Fiscal Impact:		
Expenditure Required	Amount Budgeted	Appropriation Required
\$	\$	\$
	·	·
Comprehensive Plan Consis	stency Review:	
Comp Plan Policy Nos.:	Consistent:	□Yes □No
Summary Statement:		
The mayor wishes to make these requ	ested reappointments. The boards	were given an opportunity to provide
recommendations.		
Toodiiiiioiidatioiioi		
Referral:		
Referral: Sent to:	Date:	
Referral:	Date: Refer to:	Meeting Date:
Referral: Sent to:		Meeting Date:
Referral: Sent to:		Meeting Date:
Referral: Sent to: Recommendation:	Refer to:	Meeting Date:  ng Date(s):

### Mayoral Appointments 1/8/13

### **Museum Board of Trustees**

Dave Paul – Reappointment – term expires 11/2015 This will leave 1 vacancy

### **Chilkat Center Advisory Board**

Annette Smith – Reappointment – term expires 11/2015 This will leave 1 vacancy

#### **Riverview Drive RMSA**

Dave Pahl – Reappointment – term expires 11/2015

This will leave 2 vacancies

### **Remaining Board Vacancies or Expired Terms:**

Public Safety Commission – 4 seats
Port and Harbor Advisory Committee – 2 seats
Historic Dalton Trail RMSA Board – 2 seats
Four Winds RMSA Board – up to 4 seats

### Julie Cozzi

Annette Smith [annettesmith@aptalaska.net] Thursday, December 20, 2012 8:43 PM Julie Cozzi From: Sent:

To:

Reappointment to CCA Subject:

Hi Julie -

The CCA Board met today and recommended the reappointment of Annette Smith to the CCA Board.

Annette

### Julie Cozzi

Annette Smith [annettesmith@aptalaska.net] Thursday, December 20, 2012 10:26 AM Julie Cozzi From: Sent:

To:

**CCA Board Member reappointment** Subject:

Julie -

I understand my term on the Chilkat Center Advisory Board is expiring. Please consider my name for reappointment to this Board.

Thank you,

Annette Smith

### **Michelle Webb**

From: Jerrie Clarke [director@sheldonmuseum.net]
Sent: Wednesday, December 12, 2012 12:47 PM

To: Michelle Webb

**Subject:** RE: Sheldon Museum Board Meeting Documents

I just looked at the minutes. It does say that Dave sent the e-mail but not that the board accepted him. They were delighted that he wanted to stay. Would you have the Mayor appoint him at the next meeting. We're also hoping that we have the 9<sup>th</sup> seat by then.

Oops. Jerrie

Jerrie Clarke

Director: Sheldon Museum and Cultural Center

PO Box 269 Haines Ak, 99827 907-766-2366

www.sheldonmuseum.org



From: Michelle Webb [mailto:mwebb@haines.ak.us]
Sent: Wednesday, December 12, 2012 11:24 AM

To: Jerrie Clarke

**Subject:** RE: Sheldon Museum Board Meeting Documents

Hi Jerrie,

He did. We have his application, but we don't have the Museum Board's recommendation to re-appoint or decline his application.

Thank you.

### Michelle L. Webb

Deputy Clerk Haines Borough P.O. Box 1209 Haines, AK 99827

P: (907) 766-2231 ext. 36

From: Carol Pahl [mailto:pahlfam@aptalaska.net]

Sent: Monday, November 12, 2012 2:43 PM

To: Michelle Webb

Subject: Re: End of Term and Process for Reappointment

Hello Michelle, I here by request that the Board of Directors of the Sheldon Museum and Cultural Center and the mayor and assembly of the Haines Borough, consider my reappointment to the board of the SMCC. Thank you for your consideration in this matter. Sincerely, Dave Pahl On Oct 31, 2012, at 2:30 PM, Michelle Webb wrote:

```
> Dear Dave:
> Good afternoon. Our records show that your term on the Museum Board
> of Trustees is coming to an end on November 30th, 2012. Thank you for
> the time and dedication that you have shown to this board and to your
> community. As the end of your term grows near, we would like to
> inquire whether you have considered requesting reappointment to your seat.
> If you choose to request reappointment, please reply to this email
> with your request for reappointment. Your request will then be
> forwarded from the Clerks' office to your board for review and recommendation.
> After board consideration of your reappointment request, they will
> submit a recommendation to the Mayor and she will seek assembly
> confirmation. We anticipate the reappointment taking place at the
> November 27th assembly meeting depending on when we hear from you and
> the Board. Otherwise, it may be December 11th.
> Thanks again for your service. Please don't hesitate to let me know
> if you ever have questions or if I can assist in any way. My email is
> mwebb@haines.ak.us and my phone number is 766-2231 ext.36.
> Thank you.
> Michelle L. Webb
> Deputy Clerk
```

From: Carol Pahl [mailto:pahlfam@aptalaska.net] Sent: Wednesday, December 26, 2012 10:49 AM

To: Michelle Webb

Subject: riverview rmsa board

Hello Michelle, I will hold my seat on the Riverview RMSA board for another term. Consider this email as my "Letter of Interest" Thanks, Dave Pahl

### Haines Borough Assembly Agenda Bill

Agenda Bill No.: 13-214
Assembly Meeting Date: 1/8/13

Business Item Description:	Attachments:
Subject:	Golder Associates Draft Report
Golder Associates Draft Report of Salmon Stock Declin	
Study	Proposal
Originator:	3. Adopted Ordinance 11-10-273 appropriating \$15K for
Mayor (Agenda Bill by Clerk's Office)	the study 4. Gillnetter's Original Request
Originating Department:	5. Comments - BSheldon
Mayor's Office	o. commente Benefacin
Date Submitted:	
12/31/12	
Full Title/Motion:	
	of the Golder Associates Report and response to comments.
Motion. Refer to the Commerce Committee for review C	if the Golder Associates Report and response to comments.
Administrative Recommendation:	
Fiscal Impact:	
Expenditure Required Amoun	t Budgeted Appropriation Required
\$	\$
	·
Comprehensive Plan Consistency Review	w:
Comp Plan Policy Nos.:	Consistent: ☐Yes ☐No
Summary Statement:	
-	
Following funding authorization on 11/15/11, the Haines	
	A draft report has been prepared and Golder is awaiting bugh prior to finalizing it. The mayor recommends referral to
the Commerce Committee to review the report and resp	
Sheldon.	ona to commonte, morating these received from Ban
Referral:	
Sent to:	Date:
Recommendation: Refer to:	Meeting Date:
1000.00	
A complete A strong	
Assembly Action:	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 1/8/13	Tabled to Date:



Submitted to: Haines Borough

103 Third Avenue South P.O. Box 1209 Haines, Alaska 99827



Report Number:

1214920097-R-RevA

Distribution:

Haines Borough - 1 Copy Golder Associates Ltd. - 1 Copy





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APPENDIX A
Supplementary Data





### 1.0 INTRODUCTION

The Chilkat and Chilkoot River watersheds are the two largest producers of sockeye salmon (*Oncorhynchus nerka*) in the Lynn Canal area of southeast Alaska (Eggers et al. 2009), near the community of Haines (Figure 1). There are two populations of sockeye salmon in Chilkat Lake based on run-timing: an early run and a late run (McPherson 1990). The late run is typically more abundant than the early run. Early run sockeye emigrate from freshwater primarily as age-1 fish that have spent one winter rearing in freshwater whereas the late run emigrates primarily as age-2 fish that have spend 2 winters in freshwater (Halupka et al. 2000). Chilkoot Lake also has an early run and late-run population, and the late run is also more abundant than the early run (McPherson 1990). Spawning occurs primarily in small tributaries for the early run, and in the mainstem of the Chilkoot River and on lake beaches for the late run (McPherson 1990). For both runs, the majority of fish spend 1 winter rearing in freshwater and emigrate as age-1 fish (Halupka et al. 2000). Chilkoot Lake sockeye emigrate from freshwater at relatively smaller sizes (65 to 75 mm) than Chilkat and other populations of sockeye, but use Lutak Inlet as a secondary rearing area, which is likely important to the high productivity of Chilkoot sockeye (MacPherson 1990; Halupka et al. 2000).

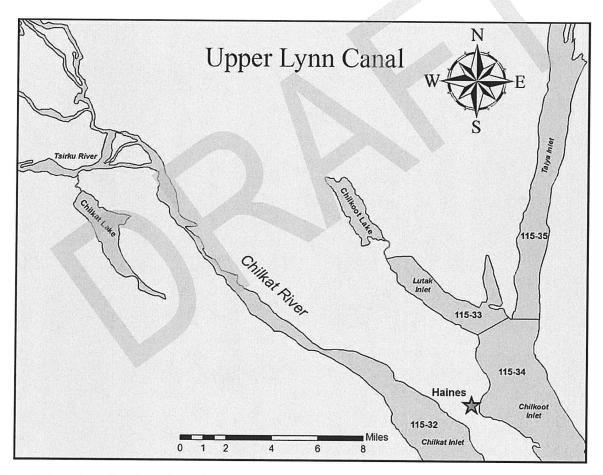


Figure 1: Upper Lynn Canal area in southeast Alaska including Chilkat and Chilkoot lakes. Figure is from Bachmann (2011).





Sockeye salmon are an economically and socially important species in southeast Alaska. Commercial fisheries in the Lynn Canal area have existed since 1878, with a peak in harvest between 1900 and the 1920s. Currently, commercial fisheries for Chilkat and Chilkoot sockeye occur entirely in the Lynn Canal area by the commercial drift net fishery (Eggers et al. 2009, 2010). Chilkat and Chilkoot Lake sockeye also support valuable sport fisheries and subsistence fisheries (Smith 2003; Eggers et al. 2009).

Returns of adult sockeye salmon to both Chilkat and Chilkoot lakes have declined substantially compared to historical records. For instance, catches of Chilkat sockeye salmon averaged 480,000 during 1900 to 1925 compared to 85,000 from 1975 to 2007 (Geiger and McPherson 2004). Returns of sockeye salmon to Chilkoot Lake have declined drastically since the early 1990s while other populations of sockeye salmon in the vicinity did not suffer as sharp a decline during the same time period (Riffe 2006). A number of management initiatives have aimed to rebuild sockeye salmon stocks, including fry stocking in Chilkat Lake, reduction in commercial fishing effort, and establishment of biological escapement goals. Despite these efforts, returns of sockeye salmon to the Chilkat and Chilkoot rivers have failed to rebound to historical levels.

In response to concern about the failure of sockeye salmon populations to recover, members of the fishing community and other stakeholders in Haines, Alaska became interested in the causes of declines of Chilkat and Chilkoot sockeye salmon and possible management alternatives. Golder Associates Ltd. conducted the following independent review of the declines in Chilkat and Chilkoot sockeye salmon based on existing data and published reports. The main objectives of this data and literature review were:

- To assess trends in limnological data, including water chemistry, primary productivity, zooplankton, and sockeye salmon abundance.
- To identify factors contributing to declines in the abundance of sockeye salmon and rank these factors in terms of likelihood based on trends in the Chilkat/Chilkoot data, and supporting literature and comparative studies from other regions.
- To identify enhancement and management options that could help the recovery of sockeye salmon populations, and discuss their success/failure in other regions and factors that may limit their effectiveness.
- To evaluate the sufficiency of existing data to identify the causes of decline and effectively manage fisheries, and identify key data gaps.

### 2.0 APPROACH AND METHODS

The analysis included compiling and reviewing reports and published data concerning the abundance of sockeye salmon and limnology of Chilkat and Chilkoot lakes, including water chemistry, primary productivity, and zooplankton. The main data source was the Alaska Department of Fish & Game's (ADFG) publications. Background information from peer-reviewed and "grey" literature concerning fisheries management and enhancement options were also reviewed. Literature searches used the ADFG electronic library, as well as academic search engines and online search engines (e.g. Google Scholar). Data were also obtained directly from the ADFG, which included data from published reports and some previously unpublished data.

Data from the review were used to assess trends in sockeye salmon abundance, primary and secondary productivity, and limnology over time. Trends in total escapement and productivity of sockeye salmon in Chilkat and Chilkoot lakes were assessed and compared to other populations of sockeye salmon to help discern





whether marine or freshwater factors were more likely limiting production. Limnological and fisheries data were graphed and assessed visually for trends. Linear regression was used to assess relationships between continuous variables.

Possible causes of sockeye salmon declines and limitations to recovery were identified and ranked in terms of likelihood, based on trends in the Chilkat/Chilkoot data, and supporting literature and comparative studies from other regions. Enhancement and management options that could help the recovery of sockeye salmon populations were identified. The success of enhancement and management options in other regions were discussed, as well as factors that may limit their effectiveness.

### 3.0 RESULTS AND DISCUSSION

### 3.1 Review of Limnology Data

Limnology data obtained from published reports and from the ADFG included water chemistry, zooplankton, and sockeye salmon data. Years for which different types of limnology data were collected and available for analysis in this report are shown in Table 1.

Table 1: Summary of years that limnological data were available for Chilkat and Chilkoot lakes.

Type of Data	Chilkat Lake	Chilkoot Lake	
Physical	1987-1991,2004-2011	1987-1991,2001-2011	
Water Chemistry	1987-1988, 1990-1991, 1994-2003	1987-1991,1997*,2001-2003	
Zooplankton	1987-1991,1994-2010	1987-1991, 1995-2010	
Juvenile Sockeye Abundance (Fry)	1987-1991, 1994-1995, 1997-2002	1987-1991, 1995-2011	
Juvenile Sockeye Abundance (Smolt)	none	1989-1990,1994-2004	
Adult Sockeye Abundance	1976-2011	1976-2011	

<sup>\*</sup> Only chlorophyll a analysed in 1997

### 3.1.1 Trends in Physical Data

The primary physical variable of interest assessed in this report was the euphotic zone depth (EZD), which is the depth below which photosynthesis functionally ceases. As such, the EZD is an indicator a lake's capacity for photosynthetic production. The EZD is conventionally defined as the depth at which the amount of incident light measured directly below water surface is attenuated to 1%. EZD values from Chilkat and Chilkoot lakes were obtained from the ADFG for 2004 to 2011, from Riffe (2006) for 2001 to 2004 (Chilkoot only), and from Barto (1996) for 1987 to 1991. Means of the two sampling stations and all sampling dates are presented here.





Standard errors were calculated for 2005 to 2011 but were not available for mean values presented in summary reports for earlier years (Barto 1996 and Riffe 2006).

Water temperature was measured at each meter of depth in the water column between the surface and 50 m at two locations and several sampling dates during the ice-free season in Chilkat and Chilkoot lakes. These temperature profile data were obtained from the ADFG for 2004 to 2011. To summarize temperature data, the mean of all measurements during July through September at a depth of 1.0 m are presented here. Graphs of temperature isopleths were provided in Barto (1996) and Riffe (2006) but raw data or mean values were not presented, so these data were not assessed in the present report.

Discharge data for flows into and out of Chilkat and Chilkoot lakes were not found during our literature review.

#### **Chilkat Lake**

Mean EZD varied between 15 and 25 m from 2004 to 2011 with no apparent trend over time. Mean EZD values in 1987 were slightly lower (~14-18 m; Figure 2). Mean temperature (mean of July to September at both stations) ranged from 14°C to 17 °C (Figure 2). However, differences in mean temperature could be related to differences in sampling dates rather than changes in the temperature profile of the lake. A more detailed analysis of the temperatures at all depths and throughout the sampling season would be necessary to identify any changes in temperature regime of the lake over time. In depth analysis of temperature profiles was beyond the scope of the present report.

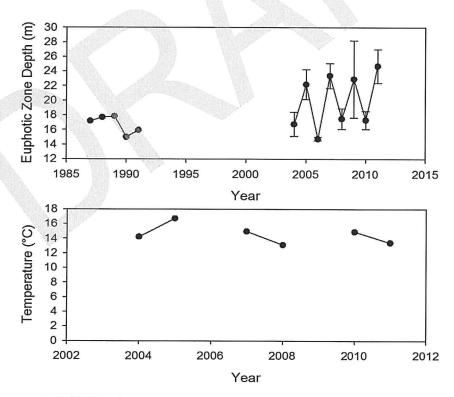


Figure 2: Euphotic zone depth (EZD) and mean temperature at 1.0 m depth in Chilkat Lake. EZD values are means of all sample dates and stations and error bars represent standard error (standard error not available for means before 2005 which were obtained from published reports). Temperature values are means from July through September at both sampling stations.



#### **Chilkoot Lake**

Mean EZD was greatest in 2006 then declined sharply from 2007 to 2009, and remained low in 2010 and 2011 (Figure 3). The very shallow EZDs observed in recent years could be related to increases of glacial silt, because large inputs of glacial silt that increase turbidity and decrease light penetration in Chilkoot Lake have been reported in previous years (e.g. 2004; Riffe 2006).

Mean temperature measured at 1.0 m in depth during July through September was relatively consistent from 2005 to 2011 (Figure 3). A more detailed analysis of the temperatures at all depths and throughout the sampling season would be necessary to identify any changes in temperature regime of the lake over time. In depth analysis temperature profiles was beyond the scope of the present report.

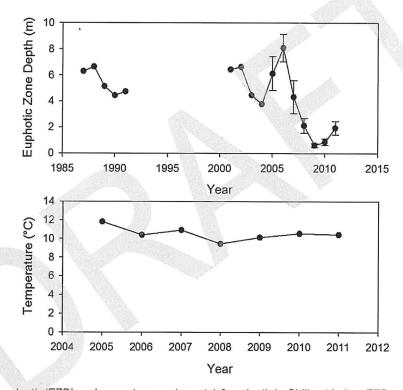


Figure 3: Euphotic zone depth (EZD) and mean temperature at 1.0 m depth in Chilkoot Lake. EZD values are means of all sample dates and stations and error bars represent standard error (standard error not available for means before 2005 which were obtained from published reports). Temperature values are means from July through September at both sampling stations.

### 3.1.2 Trends in Water Chemistry

Water chemistry data from limnological investigations were obtained from ADFG (Steve Heinl, personal communication). Water chemistry data for Chilkat Lake were available from 1987-2003, except in 1989, 1992 and 1993. In Chilkoot Lake, water chemistry data were available from 1987-1991, 1997 (algae only), and 2001-2003. To our knowledge, water chemistry data have not been collected after 2003 in either lake. Results of limnological investigations have been published for Chilkoot Lake for study years 2001 to 2003 (Riffe et al. 2006)





and for study years 1987 to 1991 for Chilkat and Chilkoot lakes (Barto 1996). Analysis or summaries of data from all other years when data were collected has not been published, based on our literature search and review. Water chemistry variables included in the data-set provided by ADFG were: conductivity, pH, alkalinity, turbidity, color, calcium, magnesium, iron, total phosphorus, total filterable phosphorus, filterable reactive phosphorus, total Kjeldahl nitrogen, ammonia, nitrate, reactive silicon, particulate carbon, chlorophyll a, and phaeophytin. For both Chilkat and Chilkoot lakes, water samples and measurements were taken at two sample sites on the lake, and at 2-4 water depths (one sample in the epilimnion at 1.0 m and 1-3 other depths up to 50 m depending on the year). Sampling was conducted between late April and November and the number of sampling sessions varied from two to seven. Details of sampling protocols and laboratory methods are provided in Barto (1996) and Riffe et al. (2006).

In order to assess trends in the productive capacity of the lakes over time, our analysis focused on the following key variables:

- Turbidity Turbidity, measured in nephleometric turbidity units (NTU), affects how light penetrates the water and the depth of the euphotic zone. Turbidity is affected by suspended inorganic particles, such as silt, and organic particles like algae (Koenings et al. 1987).
- 2) Total phosphorus (TP) Phosphorus is the limiting macronutrient in most lakes (Schindler 1977), and is expected to be correlated to primary productivity. Soluble reactive phosphorus usually makes up a small component of TP but is the form that is most readily for uptake by algae (Koenings et al. 1987). However, inorganic particulate forms (e.g. from silt) can also be a source of phosphorus for organisms (Smith and Mayfield 1977; Koenings et al. 1989).
- 3) Total nitrogen (TN) Nitrogen can become the limiting macronutrient under certain circumstances, which can result in large blooms of cyanobacteria (blue-green algae) that can fix their own nitrogen, and are inedible to zooplankton.
- 4) Nitrogen to phosphorus molar ratio (N:P ratio) This ratio is important for assessing whether phosphorus or nitrogen may be limiting productivity. A molar ratio of 16:1, called the Redfield ratio, was developed from the makeup of marine phytoplankton and has also been applied as a guideline for freshwater ecosystem, although the stoichiometric composition of phytoplankton and ratio at which phosphorus may become limiting varies significantly among ecosystems (Hecky et al. 1993).
- 5) **Chlorophyll** *a* Concentration of chlorophyll *a* is used to quantify the standing crop of phytoplankton, and is therefore a surrogate for primary productivity.

Because different depths were sampled across years, for consistency, only measurements from a depth of 1.0 m were used. The mean and standard error was calculated for each of the five variables, pooling sample stations and all measurements from May through September.

Our assumption was that the data set provided by the ADFG was already quality controlled and measurement or other errors had been removed.

#### **Chilkat Lake**

Turbidity was fairly consistent in most years, fluctuating between 0.6 NTU and 1.3 NTU (Figure 4). High mean turbidity (2.25  $\pm$  1.3 NTU) in 2001 was related to very high turbidity (6.2 NTU) at one station in September and other values were between 0.6 NTU and 1.3 NTU. Turbidity values were consistent with the classification of





clear water coastal lakes in Alaska (<5 NTU), as opposed to glacial water lakes, which have turbidity > 5 NTU (Koenings and Edmundson 1991). Turbidity within a given year was relatively stable between May and September (Appendix A, Figure A-1).

Mean annual TP concentrations were slightly greater in 1987 to 1991 (means of 5-10  $\mu$ g/L) than between 1994 and 1999 (means of 5-7  $\mu$ g/L; Figure 4). The values were higher in 2000-2002 (means of 9-10  $\mu$ g/L) but decreased in 2003 (5.6  $\mu$ g/L). In all years, values of TP were consistently within the range expected for clear water oligotrophic lakes in coastal Alaska (Koenings and Edmundson 1991). Barto (1996) indicated that concentrations of TP in Chilkat Lake (~5-10  $\mu$ g/L) were in the median to high range for Alaskan sockeye nursery lakes.

TN fluctuated between 180 µg/L and 280 µg/L between 1987 and 2003, with no clear trends over this time period (Figure 4). TN decreased during the growing season in all years (Appendix A, Figure A-2). N:P ratios were high (~20:1 to 100:1) in Chilkat Lake throughout the growing season (Appendix A, Figure A-3) and suggest that the lake is primarily phosphorus limited and not likely nitrogen limited (Healey and Hendzel 1980). Stockner and Shortreed (1985) also found high N:P ratios in coastal sockeye salmon nursery lakes in British Columbia (mean N:P ratio of 89 for 17 lakes studied).

The mean concentration of chlorophyll a measured in the epilimnion of Chilkat Lake was similar in most years ( $\sim$ 1 µg/L) except for higher values in 2000 (2.0 µg/L) and 2001 (3.4 µg/L). High concentration of chlorophyll a in 2000 and 2001 coincided with high TP (Figure 4). However, over all years, there was not a significant relationship between chlorophyll a and TP (P=0.1; Appendix A, Figure A-4).



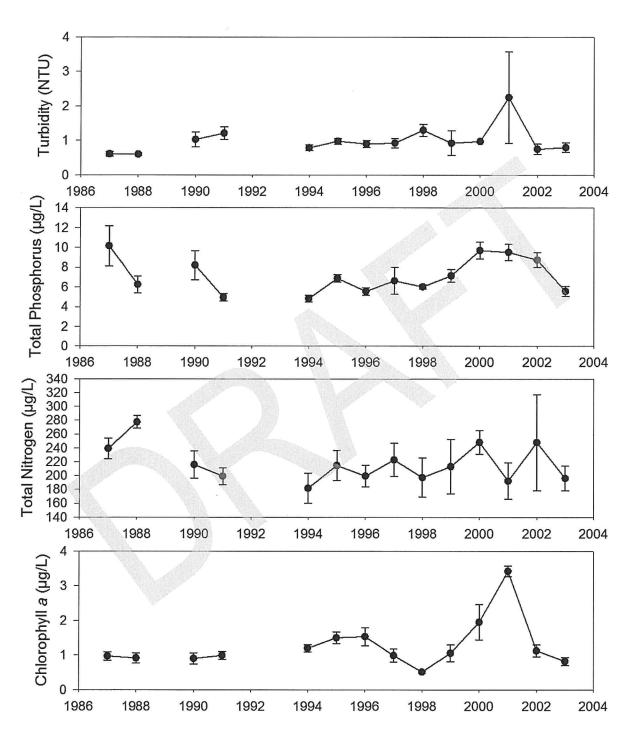


Figure 4: Key water chemistry variables in Chilkat Lake 1987 to 2003. Values are means±standard error.





#### **Chilkoot Lake**

Turbidity, TP and TN were only measured in 1987-1991 and 2000-2003. Mean turbidity ranged from 4 to 12 NTU in all years except in 2003 when turbidity was considerably higher (24 NTU; Figure 5). Turbidity values were greater than the 5 NTU limit used to classify Alaska lakes as glacial (Koenings and Edmundson 1991). However, Chilkoot Lake receives less glacial influence than other Alaskan glacial lakes, which have a mean turbidity of 33 NTU (Barto 1996). Turbidity increased throughout the summer in all years, with the greatest seasonal increase in 2003 (Appendix A, Figure A-5). Increased turbidity and corresponding decrease in euphotic depth during the summer was likely caused by glacially influenced stream run-off, which introduced large quantities of silt and inorganic particles into the lake (Barto 1996). Greater turbidity in 2003 may have been related to greater volume of glacial run-off into Chilkoot Lake although Chilkoot River discharge data or local air temperatures were not available for across year comparisons to test this hypothesis.

There was no consistent trend in TP over time, with relatively higher TP in 1989, 1990 and 2003 (24-28 µg/L), and lower TP in 1987, 1988 and 1991 (11-17 µg/L; Figure 5). TP increased between May and September each year (Appendix A, Figure A-5), which was likely related to glacial run-off because 80-90% of TP in Alaskan glacial lakes is inorganic particulate phosphorus from glacial silt (Koenings et al. 1987; Barto 1996). There was no clear trend in TN over time, although TN was slightly higher in 1987-1991 than in 2000-2003 (Figure 5). TN decreased between May and September each year (Appendix A, Figure A-6). The N:P ratio in Chilkoot Lake decreased between May and July, and remained relatively low through September (Appendix A, Figure A-7). Monthly mean N:P ratio (mean of two sample stations) in the epilimnion in July, August and September was less than 10:1 in many years and as low as 3.8:1 (Appendix A, Figure A-7). N:P ratio was lowest at station 2 but also sometimes less than 16:1 at station 1 (data not shown). A study in Scandinavia found that there was nitrogen limitation in lakes with a N:P ratio of <13 (Ryding 1980), whereas Flett et al. (1980) reported nitrogen fixing cyanobacteria only in experimental lakes in Canada with N:P of <10. In Chilkoot Lake, the consequences of the drop in N:P ratio in late summer are unclear but based on the N:P ratios observed and previous studies on nutrient limitation, nitrogen limitation of primary production in late of summer of some years is possible.

Mean chlorophyll a was stable between 1987 and 1991 (0.8-1.3  $\mu$ g/L), lower in 1997 (0.4  $\mu$ g/L), and then decreased from 1.8  $\mu$ g/L in 2001 to 0.7  $\mu$ g/L in 2003. The substantial decrease in chlorophyll a in 2003 compared to the previous two years was likely related to the large increase in turbidity that year (Figure 5), which would have decrease the euphotic zone depth in the lake and consequently, primary productivity. In phosphorus limited oligotrophic lakes, a correlation between chlorophyll a, an indicator of primary productivity, and TP would be expected. In Chilkoot Lake, however, there was no significant relationship (P=0.1; Figure A-8), possibly because increases in TP were mostly related to inputs of inorganic particulate phosphorus from glacial run-off, which increased turbidity and reduced euphotic depth and could have decreased primary productivity. Filterable reactive phosphorus, a form of phosphorus that is more biologically available also did not have a significant relationship with chlorophyll a (P=0.2; data not shown). Inorganic particulate phosphate from glacial run-off (rock phosphate) can be a source of phosphorus for bacteria and algae and in oligotrophic lakes may be an important source of the nutrient in the long-term (Smith and Mayfield 1977). Although glacial silt can be as source of phosphorus that could increase productivity in the long-term, the associated increase in turbidity reduces euphotic zone depth and thus productivity (Koenings et al. 1989), which is what was likely observed in Chilkoot Lake in 2003.



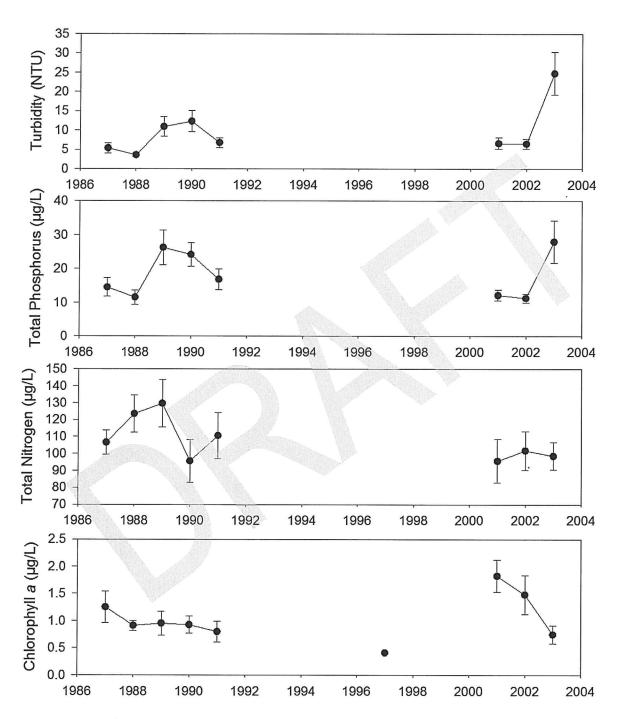


Figure 5: Key water chemistry variables in Chilkoot Lake, 1987 to 2003. Values are means±standard error.



### 3.1.3 Trends in Zooplankton

Zooplankton are an indicator of secondary productivity and are the key forage for juvenile sockeye salmon. Zooplankton abundance was monitored using tow-net sampling and data were obtained from the ADFG. We assume sampling and laboratory methods followed Koenings et al. (1987) and Barto (1996).

#### **Chilkat Lake**

Density of zooplankton was measured in 1987-1991 (two sample stations) and in 1994 to 2010 (four sample stations), once a month between May and November (sampling ended in October some years). Annual mean zooplankton density (all stations and months) was substantially greater in 1987 to 1995 than in 1996 to 2010. Zooplankton densities increased slightly from 2004 to 2010, compared to 1995 to 2003. In addition to changes in total zooplankton density, the community composition changed markedly in 1996. The zooplankton community was dominated by copepods prior to 1996 and dominated by cladocerans since 1996. A zooplankton community with few or very small sized cladocerans can be indicate heavy predation pressure (Koenings et al. 1987).

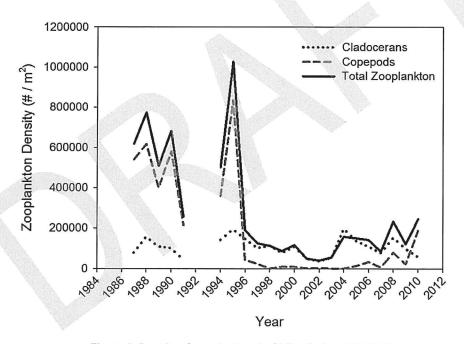


Figure 6: Density of zooplankton in Chilkat Lake, 1987-2010.

#### **Chilkoot Lake**

Density of zooplankton was measured in 1987-1991 and in 1995 to 2010. From 1987-1991 and 2008-2010, two stations were sampled, and in 1995-2007 four stations were sampled. Sampling was conducted once a month between May and November most years (sampling ended in October some years). Annual mean zooplankton density declined sharply between 1987 and 1991 (Figure 7). On average, zooplankton densities were lower from 1995 to 1999 (mean=28,042/m²) than from 2000 to 2010 (mean=61,533/m²), although density fluctuated widely among years within these time periods. Raw zooplankton data obtained from the ADFG included taxonomic identification but densities were not summarized by taxa, and summarizing many years of data was



beyond the scope of our analysis. Therefore, total zooplankton density but not community composition is presented here.

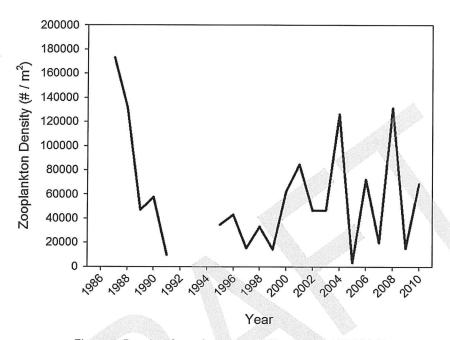


Figure 7: Density of zooplankton in Chilkoot Lake, 1987-2010.

### 3.1.4 Trends in Sockeye Salmon

#### **Chilkat Lake**

#### Juvenile Sockeye Salmon

The abundance of juvenile sockeye salmon in Chilkat Lake was estimated using hydroacoustic surveys coupled with tow-net surveys to estimate species composition in the fall of 1987-1991 and 1994 to 2002 and these data were obtained from the ADFG. A large population of three-spine stickleback (*Gasterosteus aculeatus*) in Chilkat Lake makes hydroacoustic and tow-net sampling problematic, which may be why this sampling has not been conducted since 2002 (Steve Heinl, ADFG, personal communication). The percent composition of stickleback in the tow-net catch between 1987 and 2002 varied from 10% to 97%, with a mean of 49% (Table 2.) There was no consistent trend in juvenile sockeye salmon abundance based on hydroacoustic estimates between 1987 and 2002, with greatest abundance in 1989 and 1994, and very low abundance in 2001 and 2002 (Figure 1). Because of the apparent difficulties caused by large stickleback abundances for the hydroacoustic surveys, conclusions drawn from these data should be limited.

Juvenile sockeye salmon in Chilkat Lake were also enumerated during emigration from the lake at the Chilkat weir during 1989 to 1990 and 1994 to 2004. Estimates were based on mark-recapture methods where juveniles were captured by incline plane trap, marked, and released upstream (Eggers et al. 2010). A subsample of the juveniles was also sampled for scales to determine age and otoliths were collected to estimate the proportion of





hatchery-reared fish, which had thermally marked otoliths. Abundance of juvenile sockeye salmon was fairly consistent across years, except for very low abundance in 2002 (Figure 9).

Based on limnological investigations in the 1980s (Koenings and Burkett 1987; Barto 1996), production of sockeye salmon in Chilkat Lake was thought to be limited by the amount of spawning area, and the lake was capable of supporting more rearing juveniles than were produced naturally (Eggers et al. 2010). Consequently, managers stocked Chilkat Lake with sockeye fry in 1994 to 1997 and 2001. In addition, incubation boxes were installed next to Chilkat Lake. In 1989 to 1998 and in 2003, the incubation boxes were seeded with sockeye salmon eggs, which then were released into the lake in the spring. The percentage of juveniles that were from stocked fry ranged from 20% to 36% from 1995 to 1999 and was 0.4% to 3.8% in 2002 to 2003 (Eggers et al. 2010; Table A-1).

There was a significant positive relationship between the number of smolts emigrating from Chilkat Lake in the spring and zooplankton density in the previous year (*P*=0.002; Figure A-9). Abundance of juvenile sockeye is expected to be positively related to zooplankton abundance, but at very high abundance of sockeye, zooplankton abundance can decrease due to predation by sockeye, resulting in a trophic cascade (e.g. Schmidt et al. 1998).

There was no evidence of a predation induced "trophic cascade" on zooplankton by sockeye salmon in Chilkat Lake during the years where both variables were measured, as sockeye and zooplankton abundance continued to increase together over the range of values observed (Figure A-9).

Table 2: Estimated abundance and species composition of sockeye salmon, stickleback and other fish species from hydroacoustic surveys and tow-net sampling in Chilkat Lake.

Year	% Sp	% Species Composition			Numbers of Fish	
	% Sockeye	% Stickleback	% Other	# Sockeye	# Stickleback	# Other
1987	16%	83%	1%	842,710	4,257,905	444
1988	23%	77%	1%	685,972	2,332,304	274
1989	78%	18%	4%	2,751,343	628,878	1,376
1990	49%	51%	0%	1,191,612	1,247,360	
1991	49%	51%	0%	1,335,991	1,381,025	
1994	42%	54%	4%	3,802,308	4,869,623	3,780
1995	31%	68%	1%	1,570,389	3,437,079	593
1997	37%	61%	2%	1,388,891	2,333,716	756
1998	78%	21%	1%	1,927,203	518,862	247
1999	90%	10%	0%	1,893,717	210,413	
2000	44%	52%	4%	2,296,800	2,714,400	2,088
2001	2%	97%	1%	93,290	4,851,065	466
2002	5%	94%	1%	199,478	3,409,254	363
Mean	49%	49%	1%	1,739,014	2,121,716	1,067



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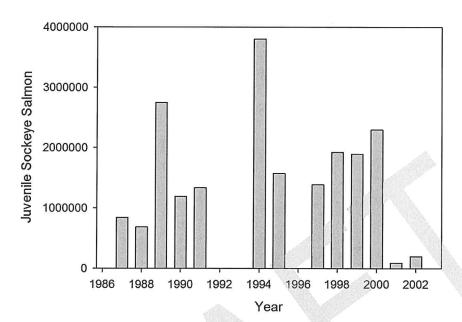


Figure 8: Abundance of juvenile sockeye salmon in Chilkat Lake estimated from hydroacoustic surveys in the fall.

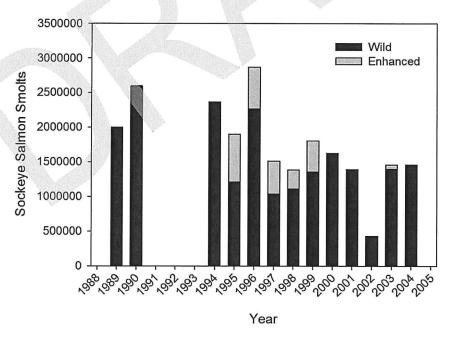


Figure 9: Abundance of sockeye salmon smolts emigrating from Chilkat Lake in the spring estimated from mark-recapture methods.



#### Adult Sockeye Salmon

Escapement of Chilkat sockeye is currently assessed using dual-frequency identification sonar (DIDSON), which replaced the weir count and mark-recapture methods used prior to 2008 (Eggers et al. 2010). Escapement of sockeye presented in Table A-2 (Appendix A) are based on DIDSON estimates for 2008-2011, mark-recapture estimates or 1995-2007, and corrected weir counts, based on the relationship between mark-recapture and weir count estimates, for 1976-1994. This time series provides the most accurate estimate of sockeye salmon escapement to Chilkat Lake (Eggers et al. 2010). The biological escapement goal for Chilkat sockeye salmon is 70,000 to 150,000 spawners and is determined to achieve maximum sustained yield of the population (Eggers et al. 2010). Escapement has met or exceeded the lower escapement goal in most years between 1975 and 2011 (Figure 10). Escapement was very low in 1984 to 1990, except for a high abundance year in 1988, and did not meet the lower escapement goal in 1985 and 1987. Escapement increased and exceeded the upper escapement goal in 1992 to 1999, followed by a decline from 2000 to 2011. Escapement was below or near the lower escapement goal in 2006-2008, 2010, and 2011. Chilkat sockeye salmon abundance data including total return, harvest, and escapement, as well as juvenile and productivity data, are provided in Table A-2 (Appendix A). While reviewing the data in published reports, some inconsistencies in the escapement and recruitment data were observed (Eggers et al. 2010; Bachman 2011). Therefore, up-to-date and qualitycontrolled escapement and recruitment data from the ADFG were obtained and used for this report (Steve Heinl, ADFG, personal communication), and these time-series do not exactly match the data previously published.

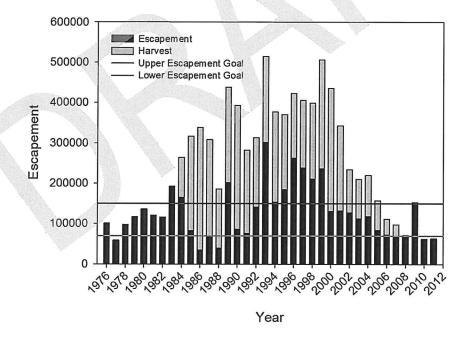


Figure 10: Harvest and escapement compared to upper and lower escapement goals for Chilkat sockeye salmon, 1976-2011 (return years). Harvest data were not available for 1975-1983 and 2008-2011.

#### **Productivity**

Productivity of a salmon population is typically assessed by the number of returning adults that are available for harvest or escapement (sometimes called 'recruits') that are produced by spawners in a particular brood year,



which is referred to as the returns per spawner. The number of returns per spawner assesses survival of all stages of the life-cycle and their associated environments combined. If the abundance of juveniles (fry or smolts) is estimated for a population, the number of juveniles produced per spawner ('juveniles per spawner') can be calculated to assess survival and productivity in the early part of the life-cycle in freshwater. The number of returning adults produced per juvenile ('returns per juvenile') is a measure of survival and productivity during the marine phase of the life cycle (and the later portion of the freshwater stage, depending on when and where juveniles were enumerated). Comparisons of trends in productivity in the freshwater stage, marine stage, and the total life-cycle can be used to help identify the life-stage and environment that most affects productivity of the population (Peterman and Dorner 2011).

Returns per spawner for Chilkat sockeye was calculated using recruitment and escapement data obtained from the ADFG and provided in Table A-2 (Appendix A). Returns per spawner increased from 1983 to 1988, decreased from 1988 to 1995, and remained below the replacement level (i.e., 1 return per spawner) through 2002. Returns per spawner, on average increased slightly from 2002 to 2006. The majority of Chilkat sockeye salmon return to spawn at four to six years of age, and a much smaller percentage of individuals return at 3 or 7 years. Because of the 3-7 year time lag for recruits from a given brood year to return, 2006 was the most recent year of recruitment data available (imputed values based on the average proportion of age classes were used for 6 and 7 year olds for 2005 and 2006 in the ADFG data set).

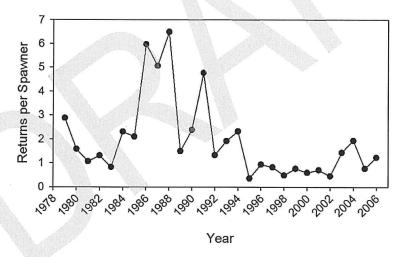


Figure 11: Returns per spawner for Chilkat sockeye salmon, 1979-2006 (brood years).

For Chilkat sockeye, both smolt counts and hydroacoustic estimates of juveniles in the lake were available to calculate the number of juveniles per spawner, which was used as an index of survival during the early freshwater life-stage. Juveniles per spawner for Chilkat sockeye was calculated as the number of juvenile sockeye estimated by hydroacoustic surveys one year after the escapement brood year divided by the escapement that brood year. A one year time lag between the brood year and juvenile abundance was used to assess survival from emergence until the fall after the first summer of growth, assuming most sockeye in the surveys were age-0 fish (although age-1 sockeye that did not migrate to sea would also be included). Smolts per spawner was calculated as the recruitment of smolts (age-1, age-2, and age-3) that were produced by a particular brood year (obtained from Table 7 of Eggers et al. (2010)), divided by the escapement that brood year.





Juveniles per spawner decreased between the late 1980s and 2001 (Figure 12). Smolts per spawner was relatively stable between 1992 and 2001 with only small increases or decreases (Figure 12). Smolts per spawner and juveniles per spawner were both very high for the 1988 brood year because of an exceptionally large production of juveniles and a smaller than average escapement.

The returns per juvenile was calculated using juvenile hydroacoustic estimates, as well as smolt estimates, as a measure of marine and late-freshwater stage survival (Figure 12). Returns per juvenile was calculated as the adult returns produced by a particular brood year divided by the number of juvenile sockeye from hydroacoustic estimates one year after the brood year. Returns per smolt was calculated as the adult returns produced by a particular brood year divided by the number of smolts produced by that brood year (age-1, age-2 and age-3 smolts from Table 7 of Eggers et al. (2010)). Returns per juvenile declined between from 1987 to 1999, followed by a large increase in 2000 to 2001 (Figure 12). Returns per smolt declined between the early 1990s and the late 1990s, following a similar trend as returns per juvenile during that time period. Because of the difficulties with hydroacoustic estimates in Chilkat Lake (see Juvenile Sockeye Salmon section above), the smolt data were considered more reliable than juvenile data, and the sharp increase in returns per juvenile in 2000-2001 could be a sampling artefact or due to other unknown causes.

A sharp decline in overall productivity of sockeye salmon occurred in Chilkat Lake starting in 1987. This decline coincided with a decline in smolts per spawner (Figure 12), as well as a decline in the zooplankton population (Section 3.1.3), suggesting that decreased survival during the freshwater phase of the life-cycle played a large part in the decrease in overall productivity between 1987 and 1991. Although returns per juvenile decreased along with overall productivity, returns per smolt did not decrease during this time period. This discrepancy could be explained if juvenile sockeye experienced high mortality during their first winter in the lake, which was after the fall hydroacoustic surveys but before smolt counts during emigration from the lake. Thus, trends in both the early freshwater productivity index and marine/late-freshwater index are consistent with the notion that declines in productivity in 1987 to 1991 were more related to changes freshwater survival than marine survival.

The continued decline in overall productivity of Chilkat sockeye from 1993 to 2002 may have been influenced more by a decline in marine survival than freshwater survival because smolts per spawner was stable, but returns per smolt consistently declined over this time period. Trends in productivity and comparisons to other regions and populations of sockeye salmon are discussed in Section 3.2.





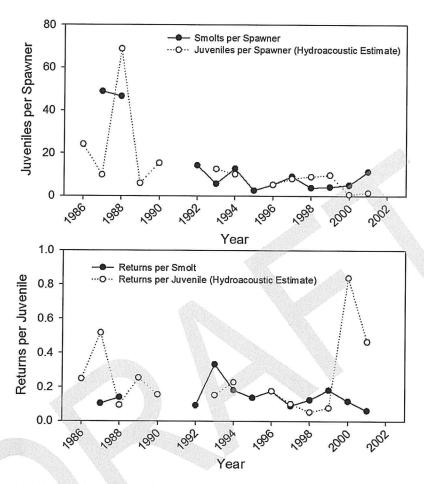


Figure 12: Productivity for different life-cycle stages of Chilkat sockeye salmon, as assessed by the number of juveniles per spawner and the number of returns per juvenile, 1986-2001 (brood years).

#### **Chilkoot Lake**

# Juvenile Sockeye Salmon

Juvenile sockeye salmon abundance was estimated in Chilkoot Lake from hydro-acoustic surveys coupled with tow-net surveys to estimate species composition in 1987 to 1991 and 1995 to 2010 (Bachman 2011) and these data were obtained from the ADFG. Species composition of tow-net samples was dominated by sockeye salmon juveniles, with few stickleback or other fish species in most years (Table 3). Abundance of juvenile sockeye salmon fluctuated between 300,000 and 1,500,000 in most years (Figure 13). Abundance of juveniles decreased in the early 1990s and was low again in 2005 to 2007. The large decrease in the abundance of juvenile sockeye from 1988 to 1991 coincided with a large decrease in zooplankton density (Figure A-10, Appendix A). Bachman (2003) previously noted the decrease in juvenile abundance that coincided with a crash in the zooplankton population during the late 1980s and early 1990s. Eggers et al. (2009) suggested that productivity in Chilkoot Lake appeared to be improving compared to the early 1990s, which is supported by the data in Figure A-10 (Appendix A), although inter-annual variability in both zooplankton and juvenile sockeye abundance was high. For years when both juvenile sockeye salmon and zooplankton data were collected, linear



regression was used to test for a relationship between juvenile sockeye abundance and zooplankton abundance in the previous year (because high zooplankton densities may lead to better overwinter survival and greater sockeye abundance the following year). Within the multiple years of data collected, there was not a significant relationship between juvenile sockeye salmon abundance and zooplankton abundance from the previous year (*P*=0.1)

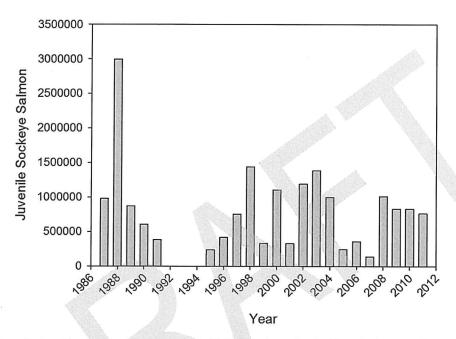


Figure 13: Abundance of juvenile sockeye salmon in Chilkoot Lake estimated from hydroacoustic surveys in the fall.

Table 3: Estimated abundance and species composition of sockeye salmon, stickleback and other fish species from hydroacoustic surveys and tow-net sampling in Chilkoot Lake.

Year	% S	pecies Composition	on	Numbers of Fish			
	% Sockeye	% Stickleback	% Other	# Sockeye	# Stickleback	# Other	
1987	73%	21%	6%	977,516	284,242	83,193	
1988	98%	0%	2%	2,993,974	0	72,144	
1989	100%	0%	0%	870,608	4,186	0	
1990	99%	0%	1%	602,826	0	5,066	
1991	81%	19%	0%	384,369	91,035	0	
1995	91%	7%	2%	238,250	17,499	5,048	
1996	99%	0%	1%	415,749	0	2,403	
1997	99%	0%	1%	748,606	0	6,454	
1998	99%	0%	1%	1,438,485	0	8,251	
1999	94%	4%	2%	330,478	15,278	5,340	
2000	93%	0%	7%	1,105,666	0	85,051	
2001	48%	38%	15%	330,885	262,426	102,689	
2002	100%	0%	0%	1,192,560	0	4,141	





Year	% S	pecies Composition	on	Numbers of Fish			
- Tour	% Sockeye	% Stickleback	% Other	# Sockeye	# Stickleback	# Other	
2003	n/a	n/a	n/a	1,384,754	n/a	n/a	
2004	94%	2%	4%	996,046	21,306	42,612	
2005	100%	0%	0%	247,283	0	0	
2006	100%	0%	0%	356,957	0	0	
2007	100%	0%	0%	140,237	0	0	
2008	99%	0%	0%	1,014,655	1,911	3,822	
2009	100%	0%	0%	832,991	0.	0	
2010	100%	0%	0%	830,394	0	0	
2011	100%	0%	0%	763,541	0	0	
Mean	94%	4%	2%	827,129	33.232	20,296	

#### Adult Sockeye Salmon

Escapement of Chilkoot sockeye is assessed by weir counts. Calibrations of the weir counts to mark-recapture population estimates have been inconsistent; therefore, uncorrected weir counts are used to estimate escapement, although these estimates are likely conservative (Eggers et al. 2009). Escapement (1976-2011) and recruitment data (1979-2006) were obtained from the ADFG and total return data (1980-2010) were obtained from Bachmann (2011). Harvest data were obtained from the ADFG (1987-2010) or calculated by the difference between total return and escapement (1980-1986). Chilkoot sockeye salmon abundance data including total return, harvest, and escapement, as well as juvenile and productivity data, are provided in Table A-3 (Appendix A).

The escapement goal for Chilkoot sockeye is 38,000 to 86,000 spawners, as enumerated by weir counts (Eggers et al. 2009). The escapement goal for Chilkoot sockeye is a "sustainable escapement goal", which aims to conserve a population over a five to ten year period, and is set instead of a "biological escapement goal" in cases where stock-specific abundance data are not available (Carroll 2005). In the case of Chilkoot sockeye, a sustainable escapement goal was set because of uncertainty in escapement based on weir counts (Eggers et al. 2009). Separate escapement goals were previously set for early and late run-timing groups of Chilkoot sockeye (McPherson 1990; Geiger and McPherson 2004) but the current escapement goal encompasses the entire historical run-timing, because the timing of migration and spawning overlapped between the groups and there was not a sound biological reason to manage the timing groups as two separate populations (Eggers et al. 2009).

Escapement exceeded the current escapement goals in almost all years from 1976 to 1991, but was near or less than the lower escapement goal from 1994 to 1999 (Figure 14). Escapements were greater than the lower goal from 2000 to 2007, less than the lower goal in 2008 and 2009, then greater than the lower goal in 2010. Of years where escapement goals were not met, total returns of sockeye were less than the lower escapement goal in 1994, 1995 and 1999. However, in 2007 and 2008, total returns exceeded the lower escapement goal by a small margin, but harvest resulted in escapement goals not being met.





#### **Productivity**

Returns per spawner was calculated for 1979 to 2006 using escapement and return data obtained from the ADFG. Returns per spawner data indicated a decrease in productivity during the mid-1980s to mid-1990s, increased but variable productivity from 1995 to 1999, and decreased productivity in 2000 to 2006 (Figure 15).

Juveniles per spawner for Chilkoot sockeye was calculated as the number of juvenile sockeye estimated by hydroacoustic surveys one year after the brood year divided by the escapement that brood year. A one year time lag between the brood year and juvenile abundance was used to assess survival from emergence until the fall after the first summer of growth, assuming most sockeye in the surveys were age-0 fish (although age-1 sockeye that did not migrate to sea would also be included). Juveniles per spawner was greater, on average, between brood years 1995 and 1999, than in 1986 to 1994, and 2000 to 2010 (Figure 16). This was a similar trend to returns per spawner data, for years that both indices were available (i.e., brood years 1986 to 2003).

Returns per juvenile was calculated as the total adult returns that were spawned in a particular brood year divided by the number of juveniles estimated by hydroacoustic surveys one year after the brood year. Juveniles were enumerated in the fall when individuals that emerged that spring were age-0, and the majority of these fish emigrate to the ocean either the following spring at age-1, or the spring after that at age-2. Therefore, this measure of returns per juvenile assesses not only marine productivity, but also the later stage of freshwater productivity, including the first winter in the lake for age-1 smolts and two winters in the lake for age-2 smolts. Returns per juvenile followed similar trends as returns per spawner and juveniles per spawner, with a decrease in productivity from brood years 1986 to 1990, relatively higher but variable productivity from brood years 1995 to 2000, and a decrease in productivity after 2000 (Figure 16). However, returns per spawner consistently increased from 2003 to 2006 whereas juveniles per spawner and overall productivity did not.

The finding that all three indices of productivity followed fairly similar trends over time does not support the idea that a decline in productivity at a particular life-stage was primarily responsible for overall trends in productivity. For example, if juveniles per spawner decreased over time along with decreases in abundance, but returns per juvenile stayed relatively stable over the same time period, it would suggest that some causal factor during the early freshwater life-stage was contributing to declines. This was not the case for Chilkoot sockeye over the time period assessed, as trends in early freshwater productivity, marine productivity (which included the later part of the freshwater stage), and total productivity were similar. Comparisons among productivity in Chilkat, Chilkoot, and other populations of sockeye salmon are discussed in Section 3.2.



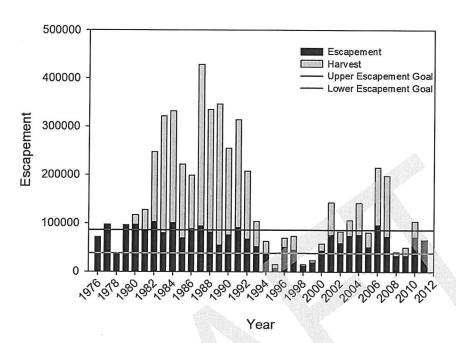


Figure 14: Harvest and escapement compared to upper and lower escapement goals for Chilkoot sockeye salmon, 1976-2011 (return years). Harvest data were not available for 1976-1979 and 2011.

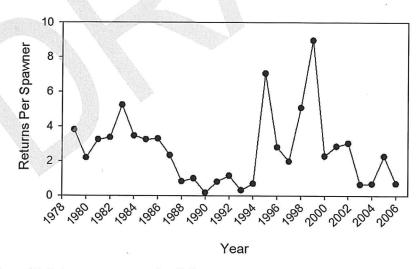


Figure 15: Returns per spawner for Chilkoot sockeye salmon, 1979 to 2006 (brood years).

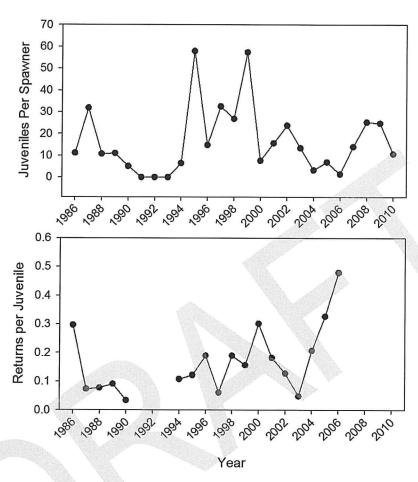


Figure 16: Productivity for different life-cycle stages of Chilkoot sockeye salmon, as assessed by the number of juveniles per spawner and the number of returns per juvenile, 1986-2010 (brood years).

# 3.2 Factors Affecting the Abundance and Productivity of Sockeye Salmon

Factors potentially contributing to changes in the abundance and productivity of Chilkat and Chilkoot sockeye were reviewed and presented in this section. The list of factors is not comprehensive of all possible contributing factors but reflects the most likely causes of changes in productivity based on the data reviewed in this report, hypotheses presented by other authors for these stocks, and literature about other sockeye stocks that had declines during the same time period. The factors were ranked in terms of their likelihood (unlikely, possible, likely, or very likely) of being a primary factor affecting the productivity of Chilkat or Chilkoot sockeye. In addition, the uncertainty in the classification of their likelihood was ranked as high, medium or low, based on the quantity and quality of the data and literature used to make these judgements. The Cohen Commission, a recent inquiry into the causes of declines in sockeye salmon in the Fraser River, BC, Canada, suggested that combinations of different factors at different life stages were likely responsible for changes in productivity, and these interactions likely vary in complex and often unknown ways across time and stocks (Marmorek et al.





2011). We acknowledge that this is also likely the case for Chilkat and Chilkoot sockeye, where different combinations of factors and their interactions may affect changes in productivity over time. The likelihood and uncertainty of the factors identified are summarized in Table 4.

### Changes in ocean conditions and marine survival

Overall productivity of Chilkat sockeye declined sharply starting in 1987 and remained low through 2006 when the most recent recruitment data were available. Based on the data reviewed, productivity declines for Chilkat sockeye in the late 1980s to early 1990s were more likely to be primarily driven by changes in early freshwater survival, whereas subsequent declines and continued low productivity from 1993 to 2002 were more likely driven by decreases in marine or late-freshwater survival.

For Chilkoot sockeye, trends in early freshwater productivity, marine/late-freshwater productivity, and total productivity were similar. Productivity declined from brood years 1986 to 1990, was higher in 1994 to 2000, and then declined after 2000. The very similar patterns of the three indices of productivity suggest that declines in both marine and freshwater survival could have been associated with productivity declines.

As part of the Cohen Commission's investigation into the cause of the declines of Fraser River sockeye salmon, the productivity of salmon populations from the Fraser River and elsewhere on the Pacific coast was compared to assess similarities and differences in trends (Peterman and Dorner 2011). One of the key findings of the report was that most Fraser River populations and many non-Fraser populations, including populations in southeast Alaska, northern British Columbia, and Washington state, showed consistent declines in productivity since the late 1990s, and or since the late 1980s in many cases (Figure A-11, Appendix A). Of particular interest to the present report was that other sockeye populations in southeast Alaska, including McDonald Lake, Redoubt Lake and Chilkat Lake had similar, though not identical, declines in productivity. Because of the consistent declines in productivity over the same time period in many regions of the Pacific coast, Peterman and Dorner (2011) suggested that a shared causal mechanism may exist across a large spatial extent. Although some shared large scale factor may be related to productivity declines in Alaska, British Columbia and Washington, Peterman and Dorner (2011) also pointed out that local factors also were likely contributing to productivity trends, which explains variation in productivity observed during the general declines since the late 1980s. Indeed, the difference in productivity trends between Chilkat and Chilkoot sockeye suggests that some unknown local factors likely influenced productivity differently between these two stocks. Chilkat sockeye had a consistent decline in productivity since the late 1980s whereas the productivity of Chilkoot sockeye declined staring in the late 1980s, but increased in the mid-1990s to 2000, before continued decline after that.

Our assessment of different productivity indices and Peterman and Dorner's (2011) study showing the large spatial extent of declines in sockeye productivity provide some support for the possibility that marine survival is an important factor in the declines of Chilkat and Chilkoot sockeye. However, a longer time series and more reliable productivity data (based on more accurate juvenile assessments) would be necessary to strongly support the conclusion that marine survival is primary driver of declines in Chilkat and Chilkoot sockeye. To our knowledge, no information is available about specific causes of declines in marine survival for Chilkat and Chilkoot sockeye.

Some information is available about the marine survival of other stocks of sockeye salmon and their correlation with oceanographic conditions. Peterman and Dorner (2011) found that for most stocks (seven of nine) of Fraser River sockeye for which juvenile abundances were available, post-juvenile (late freshwater and marine phase) survival decreased consistently with declines in overall productivity, whereas only one stock had declines in





productivity in the early freshwater stage. Marmorek et al. (2011) concluded that marine conditions and climate change effects on early coastal and ocean migration were both "likely" contributors to the decline of Fraser sockeye productivity since the 1980s. A persistent shift in oceanographic conditions in the North Pacific Ocean began in 1992, including increased sea surface temperature and salinity, which are factors that have been associated with lower productivity for Fraser sockeye stocks (McKinell et al. 2011). The productivity of many Fraser sockeye stocks recovered for broods that reared in the ocean in the winter of 1998/1999, when there were la Ninã climate conditions that are often associated with greater marine survival for many sockeye stocks (McKinell et al. 2011). The winter of 1998/1999 corresponds with the 1995 brood year for age-2 smolts, and overall and marine productivity of the 1995 brood year for Chilkoot sockeye was substantial higher than previous years. Thus, it is plausible that the recovery of productivity of Chilkoot sockeye starting in 1995 was related to marine survival and improved ocean conditions starting in the 1998/1999 la Ninã. The causes of the rapid increase in returns per juvenile of Chilkoot sockeye from 2003 to 2006 are unknown and this trend was not also widely observed in other stocks reported in Peterman and Dorner (2011).

The degree to which studies of linkages between oceanographic conditions and marine survival of Fraser River stocks are relevant to Chilkat and Chilkoot sockeye is not known. However, in general, sockeye salmon from Washington, British Columbia, and Alaska are known to share habitat in the North Pacific Ocean and encounter similar oceanographic conditions (Marmorek et al. 2011). The timing of changes in Chilkat and Chilkoot sockeye productivity roughly correspond to changes in oceanographic conditions that have been linked to lower marine productivity in Fraser sockeye. That is, a general decline in productivity occurred from the early late 1980s to the early 2000s (Chilkat, Chilkoot and Fraser), which has been linked to changes in oceanographic conditions (Fraser River stocks), and productivity recovered in the mid-1990s for some populations (Chilkoot and some Fraser stocks).

Based on our assessment of productivity indices and similarities to Fraser River and other stocks, marine survival is ranked as a factor <u>likely</u> to have affected the productivity of Chilkat sockeye salmon.

For Chilkoot sockeye, both marine and freshwater productivity fluctuated with overall productivity, and the trend in overall productivity differed somewhat from the general trend observed in many stocks of sockeye salmon across a large spatial extent. The increase in productivity in the mid-1990s was also observed in other sockeye stocks, which may be linked to large-scale climate patterns. Therefore, marine survival is ranked as a factor likely to have affected the productivity of Chilkoot sockeye salmon.

Estimates of juvenile abundance were available for both Chilkat and Chilkoot sockeye which allowed comparison of productivity during the early-freshwater and marine life-stages to overall productivity. However, the time-series were relatively short and the reliability of hydroacoustic estimates has been questioned. Correlations between oceanographic conditions and productivity may be similar to those identified for Fraser sockeye but have not been specifically assessed for Chilkat or Chilkoot stocks. For these reasons, uncertainty in the likelihood of marine conditions affecting productivity is ranked as medium for both Chilkat and Chilkoot sockeye.

# Lake conditions and freshwater productivity

In Chilkat Lake there was evidence of changes in freshwater rearing conditions and sockeye salmon productivity over time. In 1987-1991 the decline in the zooplankton abundance corresponded with a decline in sockeye productivity, which could be related to the declining food source for sockeye. The change in community composition and severe decline in abundance of zooplankton (mainly copepods) in 1996 may have been caused by the large number of sockeye juveniles in the lake, partly from stocking of hatchery fry during 1994-1997,





which suggests top-down (predatory) influences on the zooplankton population. Juveniles per spawner and overall productivity subsequently declined during the mid-nineties (Figure 11 and Figure 12). Trends in nutrients and chlorophyll a did not correlate with sockeye salmon productivity or abundance from 1994 to 2003, when water quality data was last collected in Chilkat Lake. Overall, the data reviewed suggest that lake conditions were likely related to declines in productivity during the late 1980s and early 1990s, and possibly during a brief period in the mid-nineties after fry stocking. However, lake conditions after the mid-nineties to present do not seem to correspond to productivity trends. Lake conditions and freshwater productivity are ranked as a factor possible to have affected the productivity of Chilkat sockeye salmon. The uncertainty in this ranking was medium.

The decline in sockeye salmon productivity from 1987 to 1991 was likely related to the sharp decline in zooplankton abundance in Chilkoot Lake, as has been suggested by others (Barto 1996). Nutrients also decreased, on average, during this time period, which provides additional evidence that lake conditions may have affected sockeye productivity during the late 1980s and early 1990s. Trends in early-freshwater, late-freshwater/marine, and overall productivity followed similar trends from the 1990s to 2002, suggesting that both freshwater and marine survival may have affected overall productivity. Trends in zooplankton abundance did not correlate with juvenile abundance or productivity from the 1990s to 2002 and water quality data were only collected in a few years during this time, which increases the uncertainty about the influence of lake conditions on productivity. Lake conditions and freshwater productivity are ranked as a factor possible to have affected the productivity of Chilkoot sockeye salmon. The uncertainty in this ranking was high because of limited water quality data.

#### Glacial silt and flow reversals

One particular factor that can affect lake productivity is the quantity of glacial silt in the water, which affects light penetration and primary productivity. In Chilkat Lake, flow reversal occurs when lake levels drop below the level of Tisirku River, causing the river to flow into the lake. Flow reversal can cause a decrease in light penetration and reduced euphotic zone depth in Chilkat Lake due to the high concentration of glacial silt in the Tisirku River water (Barto 1996). There was no significant change in turbidity in Chilkat Lake from 1987 to 2003, and changes in zooplankton or sockeye did not correspond to changes in turbidity. Koenings and Edmundson (1989) suggested that additions of silt from flow reversals were unlikely to drastically elevate turbidity in Chilkat Lake and may result in a long-term benefit to production (because of phosphorus additions). Therefore, glacial silt from flow reversals was ranked as a factor unlikely to have affected the productivity of Chilkoot sockeye salmon. The uncertainty in this ranking was low.

Chilkoot Lake is a glacial lake and the quantity of silt from glacial run-off may have an influence on lake productivity. Summers with hotter air temperatures result in increased glacial run-off into Chilkoot Lake, resulting in increased turbidity, decreased light penetration and decreased euphotic volume. Some authors have hypothesized that inputs of glacial silt to Chilkoot Lake have increased since the 1990s, causing reduced light penetration and primary productivity, and reduced sockeye salmon productivity through bottom-up effects (Riffe 2006; Eggers et al. 2009; Bachmann 2011). Eggers et al. (2009) noted that lower zooplankton densities from 1988 to 1998 corresponded with a period of slightly higher average air temperatures in June and July (their Figure 5). However, there did not appear to be a consistent strong relationship between zooplankton and air temperature, as both variables increased together from 2001 to 2004. Measurements of euphotic zone depth and turbidity were only available for 1987-1991 and 2001-2003.





EZD data for Chilkoot Lake were available from 1987-1991 and 2001-2011. Trends in EZD did not appear to correspond well with juvenile sockeye abundance, based on visual assessment, which does not support the idea that glacial silt was a primary driver of sockeye productivity changes. For instance, EZD was greatest in 2006 (Figure 3), but juvenile sockeye abundances were some of the lowest on record in 2006 and 2007 (Figure 13). After 2006, EZD decreased drastically and was very low in 2008 to 2011 but these years did not correspond with a decrease in juvenile sockeye salmon abundance compared to the previous 10 years (Figure 13). Because EZD, turbidity or warm temperatures (a surrogate for glacial melt) appeared to correlate with lake productivity in some years but not in others, and limited data were available to test the glacial silt hypothesis, glacial melt and siltation were ranked as factors possible to be primary factors influencing the productivity of Chilkoot sockeye salmon, and the uncertainty was ranked as high.

#### Stickleback

Three-spine stickleback compete with juvenile sockeye salmon for food and large populations of stickleback can reduce sockeye salmon growth rates and survival (O'Neill 1986; Hyatt et al. 2004). Barto (1996) reported that there was overlap in the diets of stickleback and juvenile sockeye in Chilkat Lake. Although stickleback and sockeye salmon compete for resources to their mutual disadvantage, pelagic stickleback may be displaced from limnetic areas by large numbers of sockeye juveniles (Barto 1996 and references therein).

Chilkat Lake has a large population of stickleback. Stickleback comprised 10% to 97% of the catch during townet surveys from 1987 to 2002, with a mean of 49%. There was no clear trend over time in percent of composition of stickleback. However, percent composition of stickleback was highest and dominated the catch in the last two years sampled (97% in 2001 and 94% in 2002; Table 2). The population of stickleback in Chilkoot Lake is relatively smaller, comprising an average of 4% of the catch in tow-net surveys (Table 3). The percentage of stickleback in these surveys has not appeared to change over time. However, it is not known whether or not the percent composition in tow-net surveys is a good indicator of overall abundance of stickleback over time in Chilkoot Lake.

There is limited information about the abundance of stickleback or their influence on sockeye salmon. Based on percent composition data and stickleback-sockeye interactions in other lakes, stickleback are ranked as a factor possible to have affected the productivity of Chilkat sockeye salmon. The uncertainty in this ranking was medium. Because of the relatively small population of stickleback in Chilkoot Lake, stickleback are ranked as a factor unlikely to have affected the productivity of Chilkoot sockeye salmon. The uncertainty in this ranking was low.

#### Harvest and Fisheries Management

Escapement for Chilkat sockeye salmon is currently estimated using DIDSON, and stock-recruit analyses were used to set a biological escapement goal, meaning that the goal is a scientifically defendable estimate intended to produce maximum sustained yield (MSY) for the stock (Eggers et al. 2010). Estimates of escapement of Chilkoot sockeye salmon based on weir counts are less reliable (likely conservative); therefore a sustainable escapement goal intended to produce 90% of MSY was set to account for the uncertainty (Eggers et al. 2009). Escapement goals were met for Chilkat and Chilkoot sockeye in most years since the mid 1970s, but there were a few years when goals were not attained for both stocks (see Section 3.1.4). Harvest of Chilkat and Chilkoot sockeye salmon in the drift gill-net fishery is quantified using Scale Pattern Analysis (SPA) to estimate the percent composition of the catch for each stock (Eggers et al. 2009, 2010). Overall, the methods used for stock assessment and harvest management appear to be adequate to monitor returns and manage harvest. Our review of the data did not identify any serious deficiencies in the management system or evidence that over-





harvest was a primary driver of productivity declines. Consequently, harvest and fisheries management are ranked as factors <u>unlikely</u> to have affected the productivity of Chilkat and Chilkoot sockeye salmon. The uncertainty in this ranking was low.

Table 4: Summary of potential factors contributing to changes in abundance and productivity of Chilkat and Chilkoot sockeye, their likelihood, and the uncertainty associated with these judgements.

Factor	Ch	ilkat	Chilkoot		
ractor	Likelihood	Uncertainty	Likelihood	Uncertainty	
Marine conditions and survival	Likely	Medium	Possible	Medium	
Lake conditions and freshwater productivity	Possible	Medium	Possible	High	
Glacial Silt	Unlikely	Low	Possible	High	
Stickleback	Possible	Medium	Unlikely	Low	
Harvest and fisheries management	Unlikely	Low	Unlikely	Low	

# 3.3 Data Gaps and Sufficiency of Existing Information

Data collected to monitor sockeye salmon and their habitats in Chilkat and Chilkoot lakes included water quality, indices of primary and secondary productivity, and abundance of juvenile and adult sockeye salmon. However, for some of these variables, the data are thought to be inaccurate (e.g., Chilkat juvenile sockeye abundance, Chilkoot sockeye escapement), data were not collected in some years, or monitoring programs have stopped being conducted (e.g. water quality). These deficiencies make it difficult for managers to identify what life-stages and habitats may be limiting production of sockeye salmon, and the specific factors that may be reducing survival. The most important data gaps identified in this review were:

- Failure to collect water quality data since the 2003 means it is no longer possible to monitor nutrient levels, turbidity, and chlorophyll *a*, which are important indicators of general productivity and the sockeye rearing capacity of the lake.
- The abundance of juvenile sockeye salmon in Chilkat Lake has not been assessed since 2002. It is important to monitor the abundance of juveniles (rearing fry or emigrating smolts) in order to identify the portion of the life-cycle where productivity declines occur so that management efforts can focus on the appropriate life-stage and environment. One of the key recommendations of Peterman and Dorner's (2011) assessment of Fraser sockeye salmon productivity was to collect high-quality, long-term juvenile data for as many stocks on the Pacific coast as possible, while recognizing that juvenile abundance is often logistically difficult to monitor and many monitoring programs stopped in the last 10 years due to budgetary constraints.
- Chilkat Lake also has the issue of high densities of stickleback. Introduction of fry to "outcompete" stickleback in the past has apparently led to a decline in the copepod zooplankton population and an overall decrease in productivity, as measured by juvenile production. The assumption that lake productivity is not





limiting should be re-examined, and, possibly, alternative methods to decreasing stickleback could be considered (see Section 3.4). Therefore, background information and the feasibility of potential management options are also information gaps. Nutrient levels of phosphorus and nitrogen do not appear to be depressed compared to historical levels, so are unlikely a factor for decreased production.

Changes in marine conditions and survival were ranked as factors likely and possible to have affected productivity of Chilkat and Chilkoot sockeye salmon, respectively. Our literature review did not reveal any information about the ecology of Chilkat or Chilkoot sockeye during the marine phase of the life-cycle. Information about the spatial distribution, migration routes, and survival rates during different phases of the marine life-stage is necessary to understand productivity of sockeye in the marine environment. The problem of very limited information about the sockeye salmon in the marine environment is not unique to Chilkat and Chilkoot stocks, and has also been identified as a key information gap for Fraser River and other stocks (Peterman and Dorner 2011). Because there are no management options to address marine productivity, other than regulation of escapements to meet freshwater productivity demands, understanding marine productivity issues are of most value to help understanding of how much of the adult return variability is are related to management of harvests and freshwater habitat.

# 3.4 Management Options to Help Sockeye Recovery

Published literature was reviewed to identify potential management options that have been implemented elsewhere to help the recovery of sockeye salmon populations. Where applicable, the success of these management options for other populations, as well as the factors that influence the effectiveness, are discussed. Any of the management options discussed would require a significant amount of research to assess their feasibility for Chilkat or Chilkoot sockeye, as well as on-going effectiveness monitoring programs.

# **Hatchery Enhancement**

Modern hatchery enhancement of sockeye populations has been conducted throughout Alaska since the 1960s and 1970s (Heard 2003). Because hatchery and wild origin salmon are subjected to the same marine conditions, hatchery enhancement is typically aimed at improving survival during the early fresh-water stage. relative to wild-reared fish (Heard 2003). Previous enhancement of sockeye salmon in Chilkat Lake included stocking fry in 1994 to 1997 and 2001 and incubation boxes seeded with sockeye salmon eggs in 1989 to 1998 and in 2003. In the years following fry stocking, managers observed decreased smolt size, increased smolt age (greater proportion of age 2 and age-3 smolts) and a slight decline in the number of hatchery and wild smolts emigrating from Chilkat Lake (Eggers et al. 2010). In addition, the timing of fry stocking also corresponded roughly with a change in community composition and sharp decline in zooplankton in 1996. Based on this information and stock-recruit analyses, Eggers et al. (2010) concluded that fry stocking had depressed wild smolt production and that production of Chilkat sockeye was likely limited by the rearing capacity of the lake. This was in contrast to the previous notion that Chilkat sockeye were spawning-area limited and that Chilkat Lake had the capacity to rear more sockeye juveniles than were produced naturally (Eggers et al. 2010), which led to the implementation of the stocking program in the 1990s. Based on the most recent assessment of the effects of fry stocking, hatchery enhancement is unlikely to be a recommended management option for Chilkat sockeye salmon.

The Chilkoot sockeye salmon stock has no history of hatchery enhancement. Our literature search did not reveal any recent studies assessing the carrying capacity of Chilkoot Lake for rearing juvenile sockeye salmon.



However, in recent years fisheries managers have directed harvests for Chilkoot sockeye in years of low zooplankton abundance, to avoid potentially exceeding the carrying capacity of the lake (Eggers et al. 2009). In addition, the policy in southeast Alaska is not to have hatcheries in systems with large, wild runs of salmon to avoid potential hatchery interactions with wild stocks (Heard 2011). Hatchery enhancement of Chilkoot sockeye salmon is not a likely to be a recommended management option, although there is considerable uncertainty because of limited recent information about the lake carrying capacity.

#### Lake Fertilization

Fertilization of sockeye salmon nursery lakes by the addition of nutrients has been used as a management strategy in many lakes in British Columbia and Alaska. The premise behind fertilization programs was that many lakes had reduced inputs of carcass-derived nutrients from salmon because of the removal of salmon by the commercial fishery, which resulted in lower productivity and carrying capacity in the nursery lake (Hyatt et al. 2004). If a lake is limited by nutrient availability ("bottom-up control"), then the addition of nutrients can increase primary productivity (algal production), and in turn, secondary productivity (zooplankton), and the carrying capacity for juvenile sockeye salmon. A summary of Alaskan sockeye salmon nursery lake fertilization programs indicated consistent increases in primary productivity that often, but not always, resulted in increases in secondary productivity and sockeye salmon productivity (Edmundson et al. 1999). A review of sockeye lake fertilization in British Columbia and Alaska found that all fertilization programs resulted in greater primary and secondary productivity, and in nearly all cases this was associated with greater smolt size and biomass of juvenile sockeye salmon (Hyatt et al. 2004). The review also indicated that fertilization rarely results in undesirable outcomes, such as blooms of blue-green algae or diatoms, or limited benefits to sockeye salmon because of interactions or competition with mysids (large invertebrate planktivores) or stickleback (Hyatt et al. 2004). The risk of large blooms of blue-green algae or diatoms that have occurred in some fertilized lakes can typically be managed and avoided by in-season monitoring of the N:P ratio and adjusting fertilizer inputs accordingly. Large populations of stickleback that compete with sockeye salmon for food resources can limit the effectiveness of energy transfer in the food web and reduce the benefits of fertilization. For example, Long Lake in British Columbia developed such a large population of stickleback that juvenile sockeye growth rates stopped responding positively to fertilization (Hyatt et al. 2004). Although the benefits achieved through nutrient additions vary, none of the fertilization programs in British Columbia have resulted in any harmful effects. Whether or not fertilization results in increases in adult returns is variable and difficult to assess, because of the large influence and variability of marine survival.

In order to assess the feasibility and potential effectiveness of fertilization of Chilkat and Chilkoot lakes, collection of limnology data, including water quality and primary production, for several years (at minimum) would be required, as these data have not been monitored since 2004. The previous data collected from these lakes indicates that phosphorus levels are not low compared to other sockeye systems in southeast Alaska. The benefits of fertilization would need detailed cost-benefit investigations to determine if such a program is warranted.

#### Biocontrol of Stickleback

Stickleback were ranked as a factor possible to have affected productivity of Chilkat sockeye salmon. Three-spine stickleback are a native fish species in Chilkat Lake and make up a large portion of the limnetic fish population sampled in tow-net surveys. Stickleback are known to compete with juvenile sockeye and reduce the bottom-up benefits of increases in primary productivity to sockeye. On the other hand, several Alaskan lakes (Hugh Smith, Packers, Karluk and McDonald lakes) have had large increases in juvenile sockeye populations in response to large escapements or nutrient enrichment, despite the presence of large populations of stickleback



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#### DATA REVIEW - SOCKEYE SALMON DECLINES

(Barto 1996). Whether the large population of stickleback is an important factor limiting Chilkat sockeye remains uncertain. One solution that has been used to address declining sockeye salmon populations in the presence of large stickleback populations is biocontrol by introducing stickleback predators. Sterilized 25-cm cutthroat trout (*Oncorhychus clarki*) were introduced into Walheach Lake, British Columbia, to increase predation on stickleback and reduce the effects of interactions between kokanee (landlocked sockeye salmon) and stickleback (Hyatt et al. 2004). Stickleback abundance in Walheach Lake increased five-fold after nutrient enrichment, but decreased by 96%, in a part due to predation, after stocking of cutthroat trout (Perrin et al. 2006). A considerable amount of background information and feasibility studies would be required to determine whether stickleback are limiting sockeye production, and whether biocontrol might be an effective management solution in Chilkat Lake. A food habits study and a detailed sampling program of abundance of both juvenile sockeye and stickleback would most likely be required, along with the determination of policy constraints on introducing or enhancing abundance of potential predators. Stickleback make up a small portion of the limnetic catch in Chilkoot Lake and are unlikely to be an important factor influencing sockeye salmon productivity.

# 3.5 Summary and Response to Haines Borough Queries

Haines Borough requested that the following five objectives (listed below in bold text) be addressed in this report. Our responses to these issues are given below (in regular text).

 Review current and past Alaska Department of Fish & Game (ADFG) data to assess the underlying cause of declining Sockeye salmon stocks returning to both Chilkoot Lake and Chilkat Lake, including low escapement, poor lake condition, and interception.

This objective has been addressed through the data review in Section 3.0 and the discussion of underlying causes of declines in Section 3.2.

Determine whether a historic level of production can be reached once again given current lake conditions.

Because historical levels of production are based on a combination of marine survival and freshwater survival, current lake conditions are only some of the potential factors that influence observed adult returns. The productivity trends identified in the existing data have high uncertainty because of data limitations, but certainly are reversible, both by natural changes and lake rehabilitation programs. Unlike many lake systems, the available data do not provide clarity as to the cause of the decline, possibly because there may have been multiple factors that change over time and limited data. Continued collection of data and possibly short term interventions using rehabilitation strategies, such as those identified here, may provide clarity and assist in determining if historic production can be restored cost effectively.

3) Determine whether current available data is sufficient for accurate analysis and, if not, then what data is needed for this and future studies of both systems.

The sufficiency of existing data and important data gaps are discussed in Section 3.3.

4) Assess the benefits of genetic testing in Icy Straits as opposed to current scale sampling to determine percentage of Sockeye salmon bound for Lynn Canal.





Based on the previous review, the data do not suggest that escapements have been a factor in changing productivity levels of the fishery. The historical level of sampling of productivity within the lakes suggests mechanisms related to in-lake processes may be a significant factor and these estimates are independent of development of precise return per spawner estimates for each of the lakes, the primary benefit of achieving higher precision in stock identification of the harvests. The comparison of productivity changes among lakes in the region also suggests overall return rates are generally highly related to marine survival, which is common over multiple clear water sockeye lakes in southeast Alaska. As with freshwater productivity estimates, potential biases in stock identification would only have minor influences on the estimates of marine survival. Although precise estimates of returns are always beneficial, and may be achieved by genetic analysis of the catch, it is unlikely that these data would provide any improved insight as to the causes of decline in productivity of Chilkat and Chilkoot lakes. The current scale pattern analysis is sufficient to reach the conclusions identified in this report, as expected improvements with more precise methods would not change any conclusions.

5) Provide alternative fishery management plan amendments to mitigate declining fish stocks.

Management options are discussed in Section 3.4.



# 3.6 Conclusion

The causes of declines in productivity in Chilkat and Chilkoot sockeye are likely complex and may be changing over time. Here we have identified some of the most likely factors that may been influencing the productivity of these sockeye stocks, based on review of available limnological and stock assessment information, and published literature. There does not seem to be any evidence that escapement levels have been inadequate or that harvest policies have adversely affected the productivity of the systems. However, we have not examined in detail, the information on harvest rates of local stocks among areas, but only the relationship of productivity of the lakes to published escapement levels. Much of the variation in returns to these systems parallels other sockeye salmon lakes in southeast Alaska, particularly the returns to Chilkat Lake, suggesting weather in the marine environment that is associated with climatic cycles is likely a major factor in recent declines in abundance. However, some in-lake issues are clearly identified, such as the precipitous decline in copepods, which may be related to stocking levels and stickleback competition. The information gaps and limitations of existing data that were identified in this report represent the key research needs required if stakeholders or managers wish to reduce the uncertainty about the factors influencing the productivity of Chilkat and Chilkoot sockeye, and assess the feasibility of different management options aimed at helping stocks recover.

GOLDER ASSOCIATES LTD.

Dana Schmidt, Ph.D., R.P.Bio. Senior Fisheries Biologist/Limnologist

David Roscoe, M.Sc. Fisheries Biologist

DR/DS/cfh

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# **APPENDIX A**

**Supplementary Data** 





# APPENDIX A Supplementary Data

Table A-1: Summary of sockeye salmon enhancement in Chilkat Lake, including the number of fry stocked and % of emigrating smolts that were of enhanced (hatchery) origin. Data are from Eggers et al. (2010).

Year	Fry stocked	Total Smolt	Wild	Enhanced	% Enhanced
1989	0	2,000,000	2,000,000	0	0
1990	0	2,600,000	2,600,000	0	0
1994	4,400,000	2,367,891	2,367,891	0	0
1995	2,393,558	1,897,413	1,210,977	686,436	36.17747
1996	2,691,311	2,869,160	2,269,741	599,419	20.89179
1997	2,806,858	1,515,859	1,039,634	476,225	31.41618
1998	0	1,386,118	1,115,700	270,418	19.50902
1999	0	1,809,273	1,362,342	446,931	24.70224
2000	0	1,629,883	1,629,883	0	0
2001	2,698,874	1,398,802	1,389,802	0	0
2002	0	434,411	432,608	1,803	0.415045
2003	0	1,458,025	1,401,462	56,563	3.879426
2004	0	1,457,990	1,457,990	0	0





Table A-2: Chilkat sockeye salmon abundance data.

Year	Total Returns <sup>1</sup>	Harvest <sup>2</sup>	Escapement <sup>3</sup>	Recruits <sup>3</sup>	R/S <sup>4</sup>	Smolts <sup>5</sup>	Juveniles <sup>6</sup>
1976			101,000				
1977			59,000				
1978			98,000				
1979			117,000	336,486	2.88		
1980			137,000	216,625	1.58		
1981			121,000	128,422	1.06		
1982			116,000	151,581	1.31		
1983			193,000	160,303	0.83		
1984	264,231	98,231	166,000	383,865	2.31		
1985	316,598	233,598	83,000	174,023	2.10		
1986	338,728	303,728	35,000	208,890	5.97	Visual V	
1987	308,430	238,430	70,000	354,476	5.06		842,710
1988	186,466	146,466	40,000	259,644	6.49	The state of the s	685,972
1989	437,683	235,683	202,000	301,752	1.49	2,000,000	2,751,343
1990	393,195	306,195	87,000	207,063	2.38	2,600,000	1,191,612
1991	282,775	206,775	76,000	362,554	4.77		1,335,991
1992	312,865	171,865	141,000	186,924	1.33		
1993	514,817	212,817	302,000	578,900	1.92		
1994	377,030	223,030	154,000	357,691	2.32	2,367,891	3,802,308
1995	370,608	185,608	185,000	65,907	0.36	1,210,977	1,570,389
1996	422,872	159,872	263,000	245,454	0.93	2,269,741	
1997	405,603	166,603	239,000	196,218	0.82	1,039,634	1,388,891
1998	399,503	188,503	211,000	101,667	0.48	1,115,700	1,927,203
1999	506,712	270,712	236,000	179,821	0.76	1,362,342	1,893,717
2000	435,672	304,672	131,000	78,271	0.60	1,629,883	2,296,800
2001	343,283	211,283	132,000	92,967	0.70	1,389,802	93,290
2002	234,239	106,239	128,000	58,554	0.46	432,608	199,478
2003	210,501	97,501	113,000	162,197	1.44	1,401,462	
2004	220,346	101,346	119,000	230,090	1.93	1,457,990	
2005	158,042	74,042	84,000	64,475	0.77		
2006	111,991	38,991	73,000	89,734	1.23		
2007	98,305	30,305	68,000				
2008			71,735				
2009			153,033				
2010			61,906				
2011			63,339				

#### Notes

- 1. Calculated as escapement plus harvest
- 2. From Table 4 of Eggers et al. (2010)
- 3. Provided by the Alaska Department of Fish and Game (ADFG)
- 4. R/S is the returns per spawner and was calculated by dividing recruits by escapement
- 5. Number of wild smolts from Table 6 of Eggers et al. (2010)
- 6. Juvenile sockeye estimates from hydroacoustic surveys and obtained from the ADFG





# APPENDIX A **Supplementary Data**

Table A-3: Chilkoot sockeye salmon abundance data.

Year	Total Returns <sup>1</sup>	Harvest <sup>1</sup>	Escapement <sup>2</sup>	Recruits <sup>2</sup>	R/S <sup>3</sup>	Juveniles <sup>4</sup>
1976			71,296			
1977			97,368			
1978			35,454			
1979			95,948	365,264	3.81	
1980	117,350	20,838	96,513	211,139	2.19	
1981	127,160	43,788	84,047	271,949	3.24	
1982	247,560	144,587	103,038	346,467	3.36	
1983	321,810	241,467	80,141	419,501	5.23	
1984	332,200	231,783	100,781	348,982	3.46	
1985	221,350	152,324	69,141	224,471	3.25	
1986	198,450	110,426	88,024	289,721	3.29	
1987	430,180	334,995	94,208	219,806	2.33	977,516
1988	335,240	253,968	81,274	67,081	0.83	2,993,974
1989	346,760	291,863	54,900	54,621	0.99	870,608
1990	252,180	178,864	76,119	12,965	0.17	602,826
1991	314,670	224,041	90,754	72,793	0.80	384,369
1992	207,790	140,719	67,071	77,530	1.16	
1993	103,250	51,424	52,080	16,297	0.31	
1994	62,830	25,414	37,007	25,637	0.69	
1995	15,155	7,946	7,177	50,663	7.06	238,250
1996	69,600	18,861	50,741	142,218	2.80	415,749
1997	73,167	28,913	44,254	87,685	1.98	748,606
1998	14,541	2,217	12,335	62,715	5.08	1,438,485
1999	23,542	4,258	19,284	173,057	8.97	330,478
2000	58,229	14,674	43,555	99,807	2.29	1,105,666
2001	143,785	66,385	76,283	217,442	2.85	330,885
2002	82,636	24,276	58,361	176,902	3.03	1,192,560
2003	106,778	32,324	74,459	48,478	0.65	1,384,754
2004	142,133	66,537	75,591	51,415	0.68	996,046
2005	80,498	29,321	51,178	116,476	2.28	247,283
2006	215,464	119,236	96,203	67,185	0.70	356,283
2007	204,889	125,303	72,561			140,237
2008	40,440	7,483	32,957			1,014,655
2009	50,584	17,038	33,545			832,991
2010	103,543	31,977	71,657			830,394
2011			65,915			763,541

# Notes:

- 1. From Bachman (2011)
- 2. Provided by the Alaska Department of Fish and Game (ADFG)
- 3. R/S is the returns per spawner and was calculated by dividing recruits by escapement 4. Juvenile abundance estimates from hydroacoustic surveys and obtained from ADFG



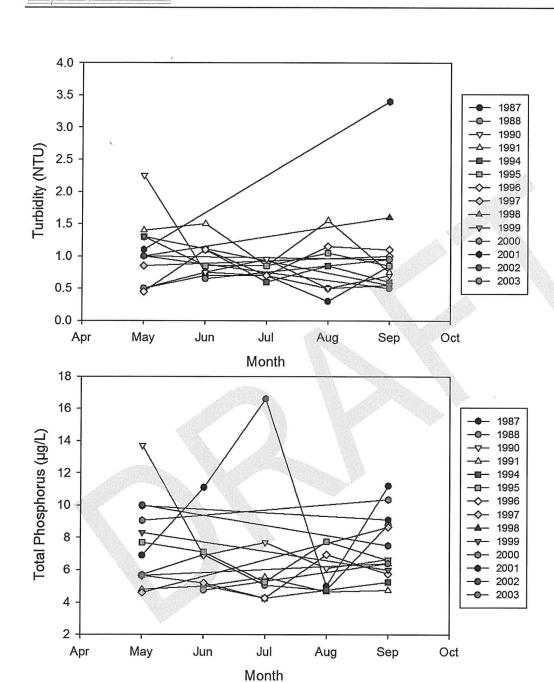


Figure A-1. Turbidity and total phosphorus in Chilkat Lake for all years measured, 1987-2003. Values are means of two sampling stations.



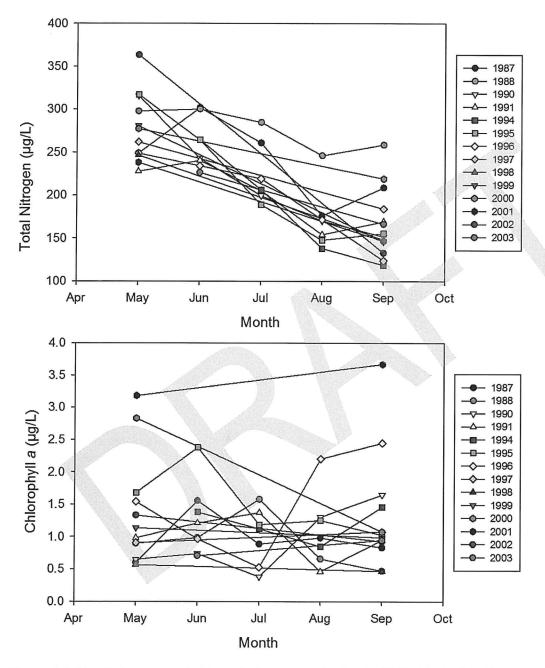


Figure A-2. Total nitrogen and chlorophyll *a* concentration in Chilkat Lake for all years measured, 1987-2003. Values are means of two sampling stations.

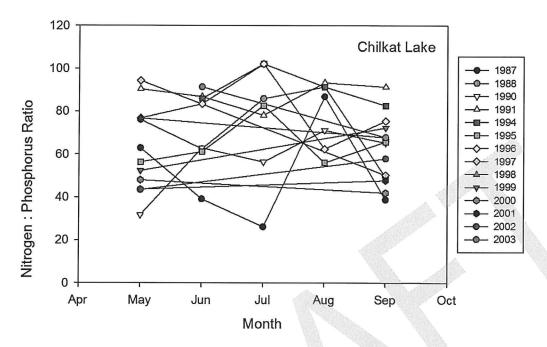


Figure A-3. Nitrogen to phosphorus ratio in Chilkat Lake for all years measured, 1987-2003.

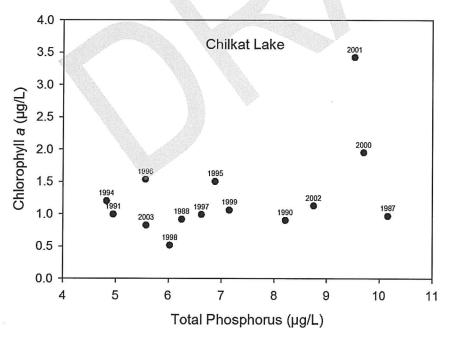


Figure A-4. Total phosphorus and chlorophyll *a* concentrations in Chilkat Lake for all years measured, 1987-2003.



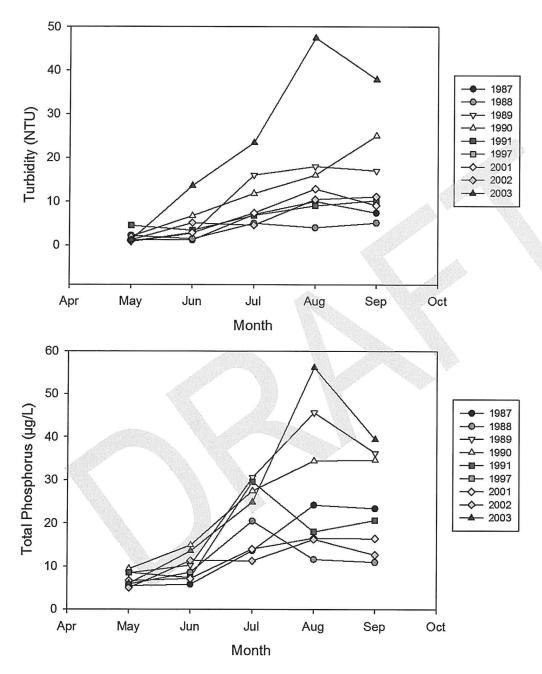


Figure A-5. Turbidity and total phosphorus in Chilkoot Lake for all years measured, 1987-2003. Values are means of two sampling stations.

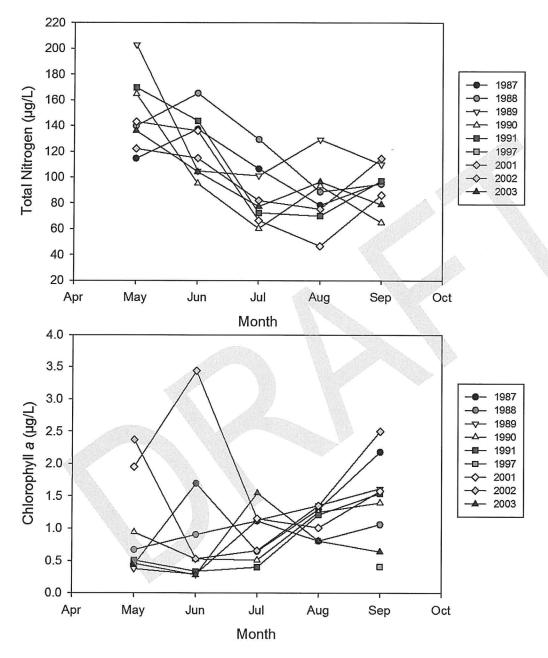


Figure A-6. Total nitrogen and chlorophyll a concentration in Chilkoot Lake for all years measured, 1987-2003. Values are means of two sampling stations.

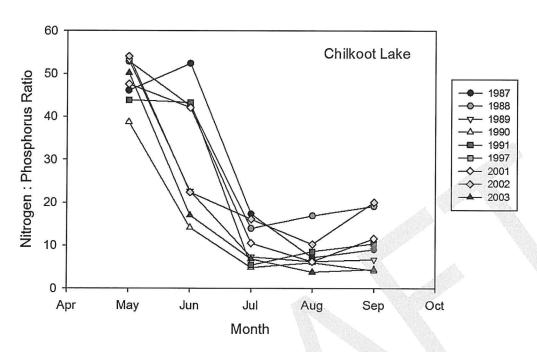


Figure A-7. Nitrogen to phosphorus ratios in Chilkoot Lake for all years measured, 1987-2003.

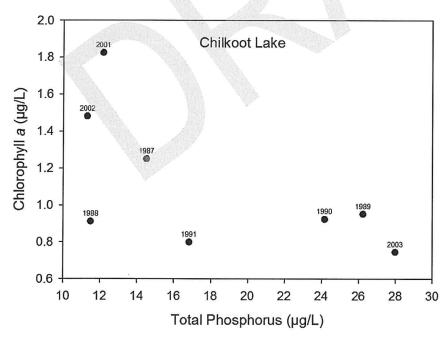


Figure A-8. Total phosphorus and chlorophyll *a* concentrations in Chilkoot Lake for all years measured, 1987-2003.





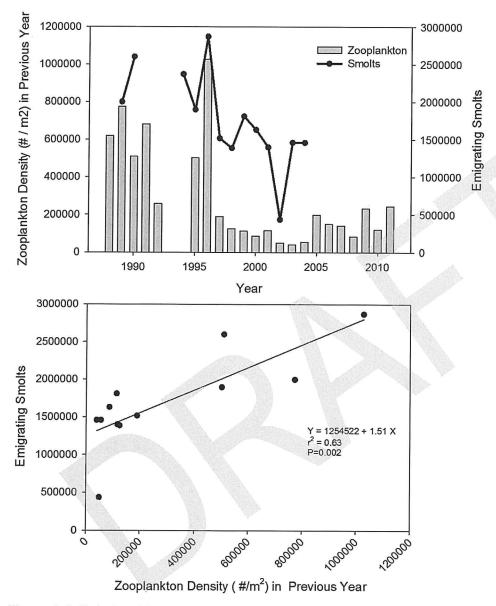


Figure A-9. Relationship between the number of smolts emigrating from Chilkat Lake and zooplankton density in previous year.

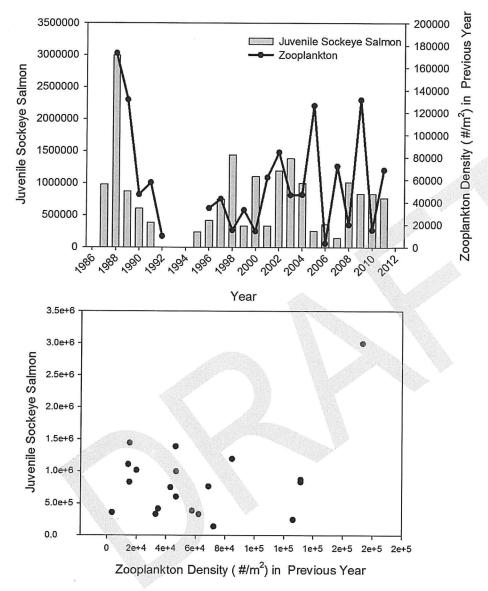


Figure A-10. Relationship between the number of juvenile sockeye salmon in Chilkoot Lake estimated by hydroacoustic surveys and zooplankton density in previous year.



# APPENDIX A Supplementary Data

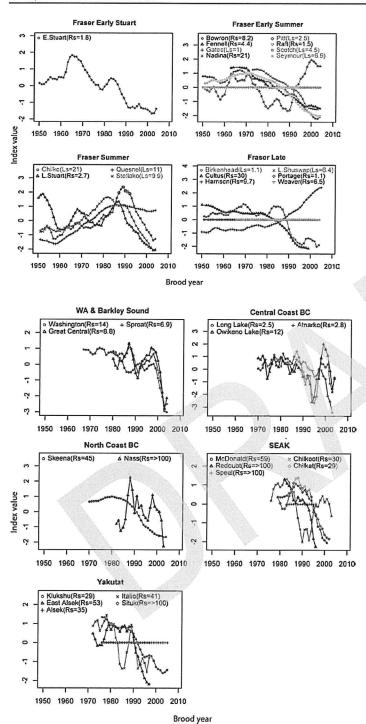


Figure A-11. Productivity trends in sockeye salmon stocks in Washington, British Columbia and Alaska from Figures 9 and 10 of Peterman and Dorner (2011). Productivity units are from a scaled Kalman filter time series and are shown in standard deviation units from their means.

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Europe + 356 21 42 30 20
North America + 1 800 275 3281
South America + 55 21 3095 9500

solutions@golder.com www.golder.com

Golder Associates Ltd.
201 Columbia Avenue
Castlegar, British Columbia, V1N 1A8
Canada
T: +1 (250) 365 0344





Haines Borough 103 Third Avenue South P.O. Box 1209 Haines, Alaska 99827 Telephone: 766-2231

March 23, 2012

#### **EMAILED AND MAILED**

RE: Consulting Services

Review of Sockeye Salmon Declines in Chilkat and Chilkoot Lakes

Dana Schmidt Golder Associates Ltd. 201 Columbia Avenue Castlegar, British Columbia, Canada V1N 1A8

#### **NOTICE TO PROCEED**

Dear Mr. Schmidt:

This is formal authorization to proceed per your March 19, 2012 proposal to review sockeye salmon declines in the Chilkat and Chilkoot Lakes for a not-to-exceed amount of \$15,000. Please reference the project name on all invoices.

Per Haines Borough Code, your business must register with the borough in order to perform contract services. Enclosed is the necessary form. Please complete it and send it to my attention along with the \$50 registration fee.

If you have questions, please email me at jcozzi@haines.ak.us or phone me at 766-2231 ext. 31.

Sincerely,

Julie Cozzi, MMC Borough Clerk



## HAINES BOROUGH, ALASKA P.O. BOX 1209, HAINES, ALASKA 99827

Administration 907.766.2231 • (fax) 907.766.2716

Tourism 907.766.2234 • (fax) 907.766.3155
Police Dept. 907.766.2121 • (fax) 907.766.2128
Fire Dept. 907.766.2115 • (fax) 907.766.3373

VIA EMAIL: dana\_schmidt@golder.com

February 29, 2012

Attn: Dana Schmidt Golder Associates Ltd. 201 Columbia Avenue Castlegar, British Columbia Canada V1N 1A8

Re. Consulting Services Agreement

Dear Mr. Schmidt:

The Haines Borough (Borough) wishes to enter into the enclosed Master Agreement for Consulting Services with Golder Associates Ltd. (Golder) to perform the following work:

- Review current and past Alaska Department of Fish & Game (ADFG) data to assess the underlying cause of declining Sockeye salmon stocks returning to both Chilkoot Lake and Chilkat Lake, including low escapement, poor lake condition, and interception.
- Determine whether a historic level of production can be reached once again given current lake conditions.
- 3. Determine whether current available data is sufficient for accurate analysis and, if not, then what data is needed for this and future studies of both systems.
- 4. Assess the benefits of genetic testing in Icy Straits opposed to current scale sampling to determine percentage of Sockeye salmon bound for Lynn Canal.
- 5. Provide alternative fishery management plan amendments to mitigate declining fish stocks.

No work by Golder may commence until a not-to-exceed fee proposal is produced and a Notice to Proceed is issued by the Borough.

The Borough has designated J.R .Churchill as the Project Coordinator, and you may communicate directly with him on any technical aspects of this project:

J.R. Churchill PO Box 1061 Haines, Ak 99827 907-723-0591 churchilljr@gmail.com

All notices, correspondence, deliverables, and invoices shall be submitted directly to my attention:

Haines Borough PO Box 1209 Haines, AK 99827

We look forward to working with you on this project. Thank you.

Sincerely,

Mark Earnest Borough Manager



## MASTER AGREEMENT FOR CONSULTING SERVICES

THIS AGREEMENT is entered into this 15th day of February, 2012 by and between, HAINES BOROUGH, ALASKA, hereinafter referred to as "CLIENT", and GOLDER ASSOCIATES LTD., hereinafter referred to as "GOLDER".

WHEREAS CLIENT desires GOLDER to perform services on behalf of CLIENT and GOLDER desires to perform the same for the compensation and in accordance with the terms and conditions set forth herein.

THE PARTIES HERETO AGREE AS FOLLOWS:

#### SCOPE OF SERVICES

GOLDER shall perform the services stated as requested by CLIENT from time to time and agreed to by GOLDER, whether through e-mails, proposals or letters of authorisation (individually "Work Orders"). This Agreement neither obligates CLIENT to provide any Work Order, nor GOLDER to perform any Work Order. All services, regardless of commencement date, will be covered by this Agreement.

#### 2. STANDARD OF CARE

Services performed by GOLDER will be conducted in a manner consistent with that level of care and skill ordinarily exercised by other members of the engineering and science professions currently practicing under similar conditions subject to the time limits and financial, physical or any other constraints applicable to the services. No warranty, express or implied is made.

#### 3. INVOICES AND PAYMENT TERMS

Unless otherwise agreed to on any specific Work Order, GOLDER will submit monthly invoices to CLIENT and a final bill upon completion of the Work Order. CLIENT shall notify GOLDER within ten (10) days of receipt of invoice of any dispute with the invoice. CLIENT and GOLDER will promptly resolve any disputed items. Payment on undisputed invoice amounts is due upon receipt of invoice by CLIENT and is past due thirty (30) days from the date of the invoice. CLIENT agrees to pay a finance charge of one and one-half percent (11/2%) per month, or the maximum rate allowed by law, on past due accounts. If payment remains past due seventy-five (75) days from the date of the invoice, then GOLDER shall have the right to suspend all work under this Agreement, without prejudice. CLIENT will pay all reasonable demobilization and other suspension costs. CLIENT agrees to pay all legal and other collection costs incurred by GOLDER in pursuit of past due payments.

Where the cost estimate for the Work Order is "not to exceed" a specified sum, GOLDER shall notify CLIENT before each limit is exceeded, and shall not continue to provide service beyond such limit unless CLIENT authorizes an increase in the amount of the limitation. If a "not to exceed" limitation is broken down into budgets for specific tasks, the task budget

may be exceeded without CLIENT authorization as long as the total limitation is not exceeded.

#### 4. CHANGES

CLIENT and GOLDER recognize that it may be necessary to modify the scope of services, the schedule, and/or the cost estimate proposed in any Work Order. Such changes shall change the scope of services, schedule, and/or the cost, as may be equitable under the circumstances. GOLDER shall notify CLIENT in a timely manner when it has reason to believe a change to any Work Order is warranted. GOLDER shall prepare a Change Order request outlining the changes to the scope, schedule, and/or cost of the project. CLIENT has a duty to promptly consider the Change Order request and advise GOLDER in a timely manner in writing on how to proceed. If after a good faith effort by GOLDER to negotiate modifications to the scope of services, the schedule, and/or the cost estimate, an agreement has not been reached with the CLIENT, then GOLDER shall have the right to terminate the specific Work Order upon written notice to the CLIENT.

#### 5. DELAYS AND FORCE MAJEURE

If site conditions prevent or inhibit performance of services or if unrevealed hazardous waste materials or conditions are encountered, services under this Agreement may be delayed. Any such delays, and any delays caused by CLIENT and its subcontractors, consultants, agents, officers, directors and employees, shall extend the contract completion date and GOLDER shall be paid for services performed to the delay commencement date plus reasonable delay charges. Delay charges shall include personnel and equipment rescheduling and/or reassignment adjustments and all other related costs incurred including but not limited to, labor and material escalation, and extended overhead costs, attributable to such delays. Delays within the scope of this Article shall, at the option of either party, make the affected Work Order subject to renegotiation or to termination.

CLIENT shall not hold GOLDER responsible for damages or delays in performance caused by acts of God, acts and/or omissions of Federal, Provincial and local governmental authorities and regulatory agencies or other events which are beyond the reasonable control of GOLDER. For this purpose, such acts or events shall

include, but not be limited to, storms, floods, epidemics, war, terrorism, riot, strikes, lockouts or other industrial disturbances and inability with reasonable diligence to supply personnel, information, or material to the project. Should such acts or events occur, it is agreed that GOLDER shall use reasonable efforts to overcome difficulties arising and to resume as soon as reasonably possible the normal pursuit and schedule of the services covered by this Agreement. Delays in excess of thirty (30) days within the scope of this Article shall, at the option of either party, make any affected Work Order subject to termination or to renegotiation.

#### 6. DATA AND INFORMATION

CLIENT shall provide to GOLDER a copy of any reports, data, studies, plans, specifications, documents and other information which are in CLIENT's possession or control and are relevant to any services under any Work Order. GOLDER shall be entitled to rely upon the reports, data, studies, plans, specifications, documents and other information provided by CLIENT or others in performing services and, GOLDER assumes no responsibility or liability for the accuracy or completeness of such. CLIENT waives any claim against GOLDER, and agrees to defend, indemnify and hold GOLDER harmless from any claim or liability for injury or loss allegedly arising from errors, omissions, or inaccuracies in reports, data, studies, plans, specifications, documents or other information provided to GOLDER by CLIENT or others. GOLDER will not responsible for any interpretations recommendations generated or made by others, which are based, whole or in part, on GOLDER's data, interpretations or recommendations.

#### 7. PROFESSIONAL WORK PRODUCT

Services provided by GOLDER are intended for one time use only. All documents, including but not limited to, reports, plans, designs, boring logs, field data, field notes, laboratory test data, calculations, and estimates (the "Documents") and all electronic media prepared by GOLDER are considered its professional work product. GOLDER retains all rights to its professional work product. Copies of Documents shall be provided to CLIENT upon written request and at CLIENT's expense. GOLDER shall retain these Documents for a period of two (2) years following submission of its report, during which period they will be made available to CLIENT at all reasonable times.

CLIENT acknowledges that electronic media are susceptible to unauthorized modification, deterioration, and incompatibility and therefore CLIENT cannot rely upon the electronic media versions of GOLDER's professional work product. CLIENT understands that the professional work product is not intended or represented by GOLDER to be suitable for reuse by any party, including, but not limited to, the CLIENT, its employees, agents, subcontractors or subsequent owners

on any extension of a specific project not covered by the applicable Work Order or on any other project, whether CLIENT's or otherwise, without GOLDER's prior written permission. CLIENT agrees that any reuse unauthorized by GOLDER will be at CLIENT's sole risk and that CLIENT will defend, indemnify and hold GOLDER harmless from any loss or liability resulting from the reuse, misuse or negligent use of the professional work product.

#### INDEPENDENT JUDGMENTS OF **CLIENT**

If any Work Order includes the collection of samples and data relative to CLIENT's contemplated purchase or sale of certain property, then GOLDER performs services with CLIENT's understanding of the Subsurface Risks. GOLDER will not be responsible for independent conclusions, interpretations, interpolations and/or decisions of CLIENT, or others, which are the result of this effort. GOLDER does not undertake any services which would result in any recommendation, advice or direction by GOLDER as to whether CLIENT should or should not proceed to purchase or sell the site in question, but it is understood that CLIENT intends to utilize the data provided by GOLDER to make its own independent judgment in this respect.

#### INSURANCE AND INDEMNITY

GOLDER maintains and shall continue to maintain during the performance of this Agreement its standard insurance coverage as follows:

- Workers' Compensation: Statutory limits
- Employers' liability: \$1,000,000 Each Accident
- Business Automobile Liability with a Combined Single Limit of \$1,000,000
- Commercial General Liability with limits of:

Each Occurrence

\$1,000,000

General Aggregate Professional Liability Insurance with limits of:

Policy Aggregate

\$2,000,000

Any One Claim

\$1,000,000 \$3,000,000

CLIENT shall not require GOLDER to sign any document or perform any service which in the judgment of GOLDER would risk the availability or increase the cost of its professional or general liability insurance.

GOLDER shall, at all times, indemnify and save harmless CLIENT and its officers, directors, agents and employees from and against all claims, damages, losses and expenses arising from personal injury, death, or damage to third-party property to the extent directly attributable to the negligent acts, errors or omissions of GOLDER.

CLIENT shall, at all times, defend, indemnify and save harmless GOLDER and its subcontractors, consultants,

agents, officers, directors and employees from and against all claims, damages, losses and expenses, including but not limited to reasonable attorneys' fees, court and arbitration costs, arising out of or resulting from the services of GOLDER, inclusive of claims made by third parties, or any claims against GOLDER arising from the acts, errors or omissions of CLIENT, its employees, agents, contractors and subcontractors. To the fullest extent permitted by law, such indemnification shall apply regardless of strict liability of GOLDER. Such indemnification shall not apply to the extent such claims, damages, losses or expenses are finally determined to result from GOLDER's negligence.

#### 10. LIMITATION OF LIABILITY

CLIENT shall immediately notify GOLDER of any deficiencies or suspected deficiencies arising directly or indirectly from GOLDER's negligent acts, errors or omissions. Failure by CLIENT to notify GOLDER shall relieve GOLDER of any further responsibility and liability for such deficiencies. CLIENT and GOLDER agree that all liability arising from this Agreement or the services of GOLDER shall expire no later than one (1) year from the date of GOLDER's acts, errors, or omissions or prior to the last date allowed in the applicable statute of limitation, whichever occurs first in time.

CLIENT agrees to limit the liability of GOLDER, its employees, officers, directors, agents, consultants and subcontractors to CLIENT, its employees, officers, directors, agents, consultants and subcontractors, whether in contract, tort, or otherwise, which arises from GOLDER's acts, errors or omissions, such that the total aggregate liability of GOLDER shall not exceed Five Hundred Thousand Dollars (\$500,000.00).

Neither party shall be responsible to the other for lost revenues, lost profits, cost of capital, claims of customers, or other special, indirect, consequential or punitive damages.

#### 11. RIGHT OF ENTRY

CLIENT will provide for the right of entry for GOLDER, its subcontractors, and all necessary equipment in order to complete the services under any Work Order. If CLIENT does not own the site, CLIENT must obtain permission for GOLDER to enter the site and perform services. While GOLDER will take all reasonable precautions to minimize any damage to the property, it is understood by CLIENT that in the normal course of work some surface damage may occur, the restoration of which is not part of this Agreement.

#### 12. SUBSURFACE RISKS

Special risks occur whenever engineering or related disciplines are applied to identify subsurface conditions. Even a comprehensive sampling and testing program implemented in accordance with a professional Standard of Care may fail to detect certain conditions. The environmental, geological, geotechnical, geochemical and hydrogeological conditions that GOLDER interprets to exist between and beyond sampling points may differ from those that actually exist. Furthermore, CLIENT recognizes that, passage of time, natural occurrences, direct or indirect human intervention at or near the site may substantially alter discovered conditions.

In the performance of any services, GOLDER will take all reasonable precautions to avoid damage or injury to subterranean structures or utilities. CLIENT agrees to defend, indemnify and hold GOLDER harmless for any damage to subterranean structures or utilities and for any impact this damage may cause, except to the extent the damage is directly attributable to the negligence of GOLDER.

Subsurface sampling may result in unavoidable contamination of certain subsurface areas not known to be previously contaminated such as, but not limited to, a geologic formation, the groundwater, or other hydrous body. GOLDER will adhere to the Standard of Care during the conduct of any subsurface investigation. Because subsurface sampling is a necessary aspect of the work which GOLDER may perform on CLIENT's behalf, CLIENT waives any claim against GOLDER, and agrees to defend, indemnify and hold GOLDER harmless from any claim or liability for injury or loss which may arise as a result of alleged crosscontamination caused by any subsurface investigation. CLIENT further agrees to compensate GOLDER for any time spent or expenses incurred by GOLDER in defence of any such claim, in accordance with GOLDER's prevailing fee schedule and expense reimbursement policy.

## 13. DISPOSAL OF SAMPLES, MATERIALS AND CONTAMINATED EQUIPMENT

All uncontaminated samples obtained pursuant to this Agreement remain the property and responsibility of CLIENT. These soil and rock samples or other specimens will be disposed of 30 days after submission of the report. Upon written request, GOLDER will store samples for longer periods of time or transmit the samples to CLIENT for a mutually acceptable charge.

All contaminated samples and materials (containing or potentially containing hazardous constituents), soil cuttings, contaminated water, and/or other environmental wastes obtained pursuant to this Agreement remain the property and responsibility of CLIENT and shall be returned to CLIENT for proper disposal. All laboratory and field equipment that cannot readily and adequately be cleansed of its hazardous contaminants shall become the property and responsibility of CLIENT. All such equipment shall be

charged and turned over to CLIENT for proper disposal. Alternate arrangements to turn such equipment, materials and/or samples directly over to a licensed hazardous waste disposal facility may be made at CLIENT's direction and expense. It is understood and agreed that GOLDER is not, and has no responsibility as, a handler, generator, operator, treater, storer, arranger, transporter, or disposer of hazardous or toxic substances, waste or materials found or identified at the site. CLIENT agrees to indemnify and hold GOLDER harmless from and against all loss, damage, expense, and claims arising out of the disposal of all such samples, materials and equipment.

## 14. CONTROL OF WORK, HEALTH AND SAFETY

GOLDER shall be responsible only for its activities and that of its employees and subcontractors. GOLDER's services under this Agreement are performed for the sole benefit of the CLIENT and no other entity shall have any claim against GOLDER because of this Agreement, Work Order, or the performance or nonperformance of services hereunder. GOLDER will not direct, supervise or control the work of other consultants and contractors or their subcontractors. GOLDER does not guarantee the performance of, and shall have no responsibility for, the acts or omissions of any other contractor, subcontractor, supplier or other entities furnishing materials or performing any work on the project.

Insofar as job site safety is concerned, GOLDER is responsible only for the health and safety of its employees and subcontractors. Nothing herein shall be construed to relieve CLIENT or any other consultants or contractors from their responsibilities for maintaining a safe job site. GOLDER shall not advise on, issue directions regarding, or assume control over safety conditions and programs for others at the job site. Neither the professional activities of GOLDER, nor the presence of GOLDER or its employees and subcontractors, shall be construed to imply that GOLDER controls the operations of others or has any responsibility for job site safety.

#### 15. PUBLIC RESPONSIBILITY

CLIENT has a duty to conform to applicable codes, standards, regulations and ordinances, with regard to public health and safety. While GOLDER performs the services it will endeavor to alert CLIENT to any matter of which GOLDER becomes aware and believes requires CLIENT's immediate attention to help protect public health and safety, or which GOLDER believes requires CLIENT to issue a notice or report to certain public officials, or to otherwise conform with applicable codes, standards, regulations or ordinances. If CLIENT decides to disregard GOLDER's recommendations in these respects, GOLDER shall employ its best judgment in deciding whether or not it should notify public

officials. If CLIENT decides to disregard GOLDER's recommendations, GOLDER shall have the right to immediately terminate the affected Work Order upon written notice to the CLIENT.

## 16. NOTIFICATION AND DISCOVERY OF HAZARDOUS MATERIALS

Prior to commencing any Work Order, CLIENT shall furnish to GOLDER all documents and information known to CLIENT that relate to the identity, location, quantity, nature or characteristics of any hazardous materials or suspected hazardous materials, on or under the site. CLIENT hereby warrants that, if it knows or has any reason to assume or suspect that hazardous materials may exist at the project site, it has so informed GOLDER.

CLIENT recognizes that hazardous materials or suspected hazardous materials may be discovered on the project site property or on any adjacent property to the CLIENT recognizes that it is CLIENT's responsibility, and not GOLDER's, to inform the Owner of any affected property not owned by CLIENT of such discovery. CLIENT also recognizes that any such discovery may result in a significant reduction of the property's value. CLIENT waives any claim against GOLDER and agrees to defend, indemnify and hold harmless GOLDER from any claim or liability for injury or loss of any type arising from the discovery of hazardous materials or suspected hazardous materials on CLIENT's property or on property not owned by CLIENT agrees that discovery of unanticipated hazardous materials shall constitute a changed condition for which GOLDER shall be fairly compensated.

#### 17. NOTICES

All notices required or permitted to be given hereunder, shall be deemed to be properly given if delivered in writing by hand, facsimile machine, e-mail (with confirmed delivery), or express courier addressed to CLIENT or GOLDER, as the case may be, at the addresses set forth below, with postage thereon fully prepaid if sent by express courier.

All notices, correspondence, deliverables, and invoices shall be submitted to CLIENT as indicated below:

MARK EARNEST
HANGS BOROUGH
PO BOX 1209
HAINES, AK 99827

All notices and correspondence shall be submitted to GOLDER as indicated below:

#### 18. TERMINATION

This Agreement, or any specific Work Order, may be terminated by either party upon written notice in the event of substantial failure by the other party to perform in accordance with terms hereof. Such termination shall not be effective if that substantial failure has been remedied before expiration of the period specified in the written notice, such period shall not be less than seven (7) calendar days. In the event of termination, GOLDER shall be paid for services performed to the termination notice date, reasonable termination expenses, and a portion of its anticipated profits not less than the percentage of the contract services performed as of the termination notice date. GOLDER may complete such analyses and records as are necessary to complete their files and may also complete a report on the services performed to the date of notice of termination or suspension. The expenses of termination or suspension shall include all direct costs of GOLDER in completing such analyses, records and reports.

#### 19. DISPUTES

All disputes, claims, and causes one party makes against the other in excess of seventy-five thousand dollars (\$75,000.00), at law or otherwise, including third party or "pass-through" claims for indemnification and/or contribution, shall be initiated, determined, and resolved by arbitration in accordance with the Canadian Construction Documents Committee, Construction Document CCDC 40, 1994, Rules for Mediation and Arbitration of Construction Disputes and judgment upon the award rendered by the Arbitrator(s) may be entered in any court having jurisdiction thereof. In the event that one party makes a claim against the other, at law or otherwise, and then fails to prove such claim, then the prevailing party shall be entitled to all costs, including attorneys' fees incurred in defending against the claim.

#### 20. CLIENT LITIGATION

If GOLDER is requested to produce documents, witnesses or general assistance pursuant to a litigation, arbitration or mediation in support of CLIENT litigation to which GOLDER is not an adverse party, CLIENT shall reimburse GOLDER for all direct expenses and

time in accordance with GOLDER's current rate schedule.

#### 21. CONFIDENTIALITY

GOLDER shall endeavor to keep confidential all data and information which is marked confidential and furnished to GOLDER by CLIENT under this Agreement. GOLDER's confidentiality obligations shall not apply if such data or information is within the public domain, previously known to GOLDER, obtained from third parties without violating any confidentiality agreement, required to be produced by GOLDER pursuant to any law, subpoena, or court order or required by GOLDER in the defense of any claim. GOLDER may use and publish the CLIENT's name and give a general description of the services rendered by GOLDER for the purpose of informing other clients and potential clients of GOLDER's experience and qualifications.

#### 22. INTELLECTUAL PROPERTY

All rights to patents, trademarks, copyrights, and trade secrets owned by GOLDER (hereinafter "Intellectual Property") as well as any modifications, updates or enhancements to said Intellectual Property during the performance of the services remain the property of GOLDER, and GOLDER does not grant CLIENT any right or license to such Intellectual Property. GOLDER shall use reasonable efforts to provide services without infringing on any valid patent or copyright and without the use of any confidential information that is the property of others, unless GOLDER or its agents, employees or subcontractors are licensed or otherwise have the right to use and dispose of such information. GOLDER shall also use reasonable efforts to inform the CLIENT of any patent infringement that may be reasonably expected to result from the services. However, reasonable efforts of GOLDER shall not include a duty to conduct or prepare a patent or copyright search and/or opinion. If GOLDER performs its services in a manner consistent with the above, then to the fullest extent permitted by law, CLIENT shall indemnify, defend and hold harmless GOLDER and its officers, directors, agents and employees against all liability, cost, expense, attorneys' fees, claims, loss or damage arising from any alleged or actual patent or copyright infringement resulting from the services under this Agreement.

#### 23. MISCELLANEOUS

a) This Agreement supersedes all other agreements, oral or written, and contains the entire agreement of the parties. No cancellation, modification, amendment, deletion, addition, waiver or other change in this Agreement shall have effect unless specifically set forth in writing signed by the party to be bound thereby. Titles in this Agreement are for convenience only.

- This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns provided that it may not be assigned by either party without consent of the other. It is expressly intended and agreed that no third party beneficiaries are created by this Agreement, and that the rights and remedies provided herein shall inure only to the benefit of the parties to this Agreement.
- Client acknowledges and agrees that Golder can retain subconsultants, who may be affiliated with Golder, to provide Services for the benefit of Golder. Golder will be responsible to Client for the Services and work done by all of its subconsultants and subcontractors, collectively to the maximum amount stated in Article 10. Client agrees that it will only assert claims against and seek to recover losses, damages or other liabilities from Golder and not Golder's affiliated companies. To the maximum extent allowed by law, Client acknowledges and agrees it will not have any legal recourse, and waives any expense, loss, claim, demand, or cause of action, against Golder's affiliated companies, and their employees, officers and directors.
- No waiver of any right or remedy in respect of any occurrence on one occasion shall be deemed a waiver of such right or remedy in respect of such occurrence on any other occasion.
- Unless otherwise stated, or barred by law, all representations and obligations (including without limitation the obligation of CLIENT to indemnify GOLDER in Article 9 and the Limitation of Liability in Article 10) shall survive indefinitely the termination of the Agreement.
- Any provision, to the extent it is found to be, unlawful or unenforceable shall be stricken without affecting any other provision of the Agreement, so that the Agreement will be deemed to be a valid and binding agreement enforceable in accordance with its terms.
- All questions concerning the validity and operation of this Agreement and the performance of the obligations imposed upon the parties hereunder shall be governed by the laws of unless the law of another jurisdiction must apply for this Agreement to be enforceable.

Before signing this Agreement, the CLIENT's authorized representative hereby represents that he has read and understands the paragraphs entitled Insurance and Indemnity and Limitation of Liability, which deal with the allocation of risk between the CLIENT and GOLDER.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed, as of the date and year first set forth below.

GOLDER ASSOCIATES LTI

Name:

I have authority to bind the corporation

Title:

BORDUGH MANAGET

I have authority to bind the corporation



**DATE** March 19, 2012

PROPOSAL No. P214920034

TO Mark Earnest Haines Borough, Alaska

CC

FROM Dana Schmidt

EMAIL Dana\_Schmidt@golder.com

PROPOSAL FOR REVIEW OF SOCKEYE SALMON DECLINES IN CHILKAT AND CHILKOOT LAKES

#### 1.0 INTRODUCTION

On behalf of Golder Associates Ltd. (Golder), we are pleased to present Haines Borough, Alaska with a proposal to review the causes of declines in sockeye salmon returns to Chilkat and Chilkoot lakes. This proposal provides the scope of work to be conducted, budget, and project staffing and roles.

#### 2.0 BACKGROUND

The Chilkat and Chilkoot River watersheds are the two largest producers of sockeye salmon (*Oncorhynchus nerka*) in the Lynn Canal area of southeast Alaska, near the community of Haines (Eggers et al. 2009). Returns of adult sockeye salmon to both Chilkat and Chilkoot lakes have declined substantially compared to historical records. For instance, catches of Chilkat sockeye salmon averaged 480 000 during 1900 to 1925 compared to 85 000 from 1975 to 2007 (Geiger et al. 2004). Returns of sockeye salmon to Chilkoot Lake have declined drastically since the early 1990s while other populations of sockeye salmon in the vicinity did not suffer as sharp a decline during the same time period (Riffe 2006). A number of management initiatives have aimed to rebuild sockeye salmon stocks, including fry stocking in Chilkat Lake, reduction in commercial fishing effort, and establishment of biological escapement goals. Despite these efforts, returns of sockeye salmon to the Chilkat and Chilkoot rivers have failed to rebound to historical levels.

Sockeye salmon are an economically and socially important species in southeast Alaska, and support commercial, recreational and aboriginal fisheries. In response to concern about the failure of sockeye salmon populations to recover, community representatives in Haines, Alaska became interested in an independent review of the causes of declines of Chilkat and Chilkoot sockeye salmon and possible management alternatives. In a letter to Golder on February 29, 2012, Haines Borough, Alaska requested that the following work be conducted:

1) Review current and past Alaska Department of Fish & Game (ADFG) data to assess the underlying cause of declining Sockeye salmon stocks returning to both Chilkoot Lake and Chilkat Lake, including low escapement, poor lake condition, and interception.





- 2) Determine whether a historic level of production can be reached once again given current lake conditions.
- 3) Determine whether current available data is sufficient for accurate analysis and, if not, then what data is needed for this and future studies of both systems.
- 4) Assess the benefits of genetic testing in Icy Straits as opposed to current scale sampling to determine percentage of Sockeye salmon bound for Lynn Canal.
- 5) Provide alternative fishery management plan amendments to mitigate declining fish stocks (Note: Golder notes that this activity will be completed only if evaluation of data indicates such action would be beneficial).

Golder responds to this request with the following proposed budget (Section 5) and project tasks (Section 3), which define the scope of services to be conducted.

#### 3.0 PROJECT TASKS

The proposed project will involve the following two tasks.

#### 3.1 Task 1 - Project Management.

Project Management tasks include general and technical oversight of the project, including budget management and correspondence with client contacts. Golder will communicate with the project coordinator J.R. Churchill, if necessary, on technical aspects of the project, and Mark Earnest (Haines Borough Manager) regarding deliverables and invoicing.

#### 3.2 Task 2 - Analysis and Reporting

Analysis will include compiling and reviewing reports and published data concerning the abundance of sockeye salmon, primary and secondary productivity and limnology in Chilkat and Chilkoot lakes. The main data source will be Alaska Department of Fish & Game (ADFG) publications but other data sources will be included as appropriate. Background information from peer-reviewed and "grey" literature concerning fisheries management and enhancement options will also be reviewed. Literature searches will use the Alaska Department of Fish & Game's (ADFG) electronic library, as well as academic search engines and online search engines (e.g., Google Scholar).

Information from the data review will be used to assess trends in sockeye salmon abundance, primary and secondary productivity, and limnology over time. Other environmental and biological factors (e.g., climate, invasive species) will also be considered if data are available. Total escapement and productivity in returns per spawner in Chilkat and Chilkoot lakes will be compared to other nearby watersheds to help discern whether marine or freshwater factors are more likely limiting production.

Possible causes of sockeye salmon declines and limitations to recovery will be identified and ranked in terms of likelihood, based on trends in the Chilkat/Chilkoot data, and supporting literature and comparative studies from other regions. Enhancement and management options that could help the recovery of sockeye salmon populations will be discussed, including their success/failure in other regions and factors that may limit their effectiveness. Finally, the review will comment on the sufficiency of existing data to identify the causes of decline and effectively manage fisheries, and identify key data gaps.



The final deliverable for the project will be a report consisting of the following:

- An introduction describing the study area.
- The methods used in the data review and the assumptions of the analysis.
- Results of the data review including:
  - a) trends in sockeye salmon abundance, primary and secondary productivity and limnology over time, and,
  - b) assessment of the sufficiency of existing data for effective analysis and management and identification of key data gaps.
- Discussion about the potential causes of sockeye salmon decline, their relative likelihood, and background information supporting these conclusions.
- Recommendations regarding potential management or other options to facilitate recovery of sockeye salmon populations and their relative likelihood of success, based on local data and information from literature and comparative studies.

#### 4.0 TEAM QUALIFICATIONS AND EXPERIENCE

Golder has extensive experience analysing fisheries and environmental data and providing expert advice to resource managers and stakeholders. This section highlights the qualifications and experience of key team members, describes roles, responsibilities, and level of involvement, and provides references.

# Dana Schmidt, Ph.D., R.P.Bio. – Senior Fisheries Biologist and Limnologist Role: Project Director and Lead Author

Dr. Dana Schmidt's responsibilities include providing general analytical and statistical support for the western Canadian offices and providing expertise in the field of limnology. He is currently working with the Kodiak Regional Aquaculture Association on a review of rehabilitation or enhancement potential of 16 Kodiak Island Lakes and providing advice on the specific proposal for initiating fertilization of Karluk Lake. He has also served as one of the scientific reviewers for the certification of the British Columbia Salmon Fisheries under the Marine Stewardship Council sustainable fisheries initiative. He retired from the Alaska Department of Fish and Game in 1998 where he served for 16 years including positions as Principal Limnologist, Research Supervisor of westward region commercial fisheries, and as Supervisor of the Sustainable Hydro-electric Project fisheries studies. During his tenure with ADF&G he was responsible for evaluation of numerous enhancement and rehabilitation projects including fertilization of lakes and fish passage effectiveness. In addition, much of his effort was directed toward development of escapement goals for commercial fisheries. He has conducted radio telemetry studies on sockeye, coho, chum, and Chinook salmon, in addition to rainbow trout, Arctic grayling, and burbot. He has worked closely with the State of Alaska Genetics laboratory in the collection and processing of DNA and allozymes for sockeye salmon research on Kodiak Island and southcentral Alaska. He recently has directed a three-year study to quantify diversion efficiency of a power canal louver array for decreasing the entrainment of sockeye salmon through the Seton powerplant into the Fraser River. He directed an evaluation of nitrogen isotope trends in sediment cores to understand the escapement history of sockeye salmon on



Okanagan Lake for the Okanagan First Nation. Professional activities include Co-Chairing the 4th World Fisheries Congress that occurred on May 2004, past president of the International Fisheries Section of the American Fisheries Society, Chair of the International Fisheries Science Prize Committee and has served on the governing Board of the American Fisheries Society.

#### References:

Kevin Brennan, Executive Director Kodiak Regional Aquaculture Association, 104 Center Ave. Suite 200 Kodiak, AK 99615 Tel: 907-486-6555 Fax: 907-486-4105

E-mail: kraa@gci.net

#### David Roscoe, M.Sc. – Fisheries Biologist, Role: Project Manager, Data Analyst, and Author

David Roscoe is an aquatic and fisheries biologist for Golder in Castlegar, BC, with 8 years of academic research and consulting experience. David is experienced in analysing fisheries and ecological data and conducting literature reviews. Other relevant experience includes a Master's in Science studying sockeye salmon migration at the University of British Columbia and work for the non-governmental sector assessing the sustainability of Pacific salmon fisheries and management.

David will contribute to reporting and will serve as a data analyst for this project, which will involve compiling and reviewing reports, and assessing trends in the data. As project manager, David will also be responsible for budget management and invoicing.

#### References:

Scott Hinch, Professor, Pacific Salmon Ecology & Conservation Group University of British Columbia

Tel: (604) 822 9377

E-mail: shinch@interchange.ubc.ca

David Patterson, Biologist, Fisheries and Oceans Canada, Burnaby, British Columbia

Tel: (604) 666 5671

E-mail: david.patterson@dfo-mpo.gc.ca

#### 5.0 PROPOSED BUDGET

A budget for the work described above is provided in Table 1. The total cost is \$14 800 USD and will not be exceeded.



Table 1. Proposed budget for data review of sockeye salmon declines in Chilkat and Chilkoot lakes.

Tasks and Personnel		Rate (\$USD)	Cost (\$USD)
Task 1 - Project Management			
Dana Schmidt, Senior Fisheries Biologist and Limnologist (C7)	2	\$205	\$410
David Roscoe, Fisheries Biologist (C2)	4	\$110	\$440
Subtotal			\$850
Task 2 - Analysis and Report Writing			
Dana Schmidt, Senior Fisheries Biologist and Limnologist (C7)	32	\$205	\$6560
David Roscoe, Fisheries Biologist (C2)	66	\$110	\$7260
Word Processing and Production		\$ 65	\$130
Subtotal			\$13 950
		Total	\$14 800

#### 6.0 CLOSURE

We trust the information contained in this proposal is sufficiently detailed for your review purposes. Should you require clarification of any points, please contact the undersigned at (250) 365-0344. We look forward to the opportunity of assisting you with these environmental services.

ORIGINAL SIGNED

ORIGINAL SIGNED

David Roscoe, M.Sc. Fisheries Biologist

Dana Schmidt, Ph.D., R.P.Bio. Associate, Senior Fisheries Biologist, Limnologist

DR/DS/cmc

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#### 7.0 LITERATURE CITED

- Eggers, D.M., X. Zhang, R.L. Bachman, and M.M. Sogge. 2009. Sockeye salmon stock status and escapement goals for Chilkoot Lake in Southeast Alaska. Alaska Department of Fish and Game, Fishery Data Series No. 09-63, Anchorage, Alaska.
- Geiger, H.J. and S. McPherson (editors). 2004. Stock status and escapement goals for salmon stocks in Southeast Alaska, Alaska Department of fish and Game, Special Publication No. 04-02, Anchorage Alaska.
- Riffe, R. 2006. Summary of limnology and fishery investigation of Chilkoot Lake, 2001-2004. Alaska Department of fish and Game, Fishery Data Series No. 06-17, Anchorage Alaska.



## Adopted

#### AN ORDINANCE OF THE HAINES BOROUGH, PROVIDING FOR THE ADDITION OR AMENDMENT OF SPECIFIC LINE ITEMS TO THE FY12 BUDGET.

#### BE IT ORDAINED BY THE ASSEMBLY OF THE HAINES BOROUGH, ALASKA:

Section 1. Classification. This ordinance is a non-code ordinance.

Section 2. Effective Date. This ordinance shall become effective immediately upon adoption.

Section 3. Appropriation. This appropriation is hereby authorized as part of the budget for the fiscal year July 1, 2011 through June 30, 2012.

Section 4. Purpose. To provide for the addition or amendment of specific line items to the FY12 budget as follows:

(1) To recognize and appropriate \$102,000 of funds contributed by the Chilkoot Indian Association for curb, gutter, and sidewalk improvements along the east side of First Avenue South per Resolution #11-08-303 adopted August 30, 2011.:

	02	Current FY12 Budget	Proposed FY12 Budget	Fund Balance Increase / (Decrease)*
42-08-00-4604	Donation Revenue	0	\$102,000	\$102,000
42-08-00-7392	Project Expenditures	4,500,000	4,602,000	(102,000)
Net for additional road rehabilitation		0		

(2) To appropriate additional funds for the purchase of a vehicle for the Port/Harbor department from the fund balance of the Capital Improvement Project Fund. \$15,000 was budgeted in FY11 the additional \$10,000 would bring the total budget for a vehicle to \$25,000:

			1	Fund Balance
		Current	Proposed	Increase /
		FY12 Budget	FY12 Budget	(Decrease)*
50-01-00-7392	Project Expenditures	0	\$10,000	(10,000)

(3) To eliminate projected rent revenues from lease of the harbor fuel facility and to recognize revenues and costs from the Haines Borough harbor fuel sales operation. This amendment does not include costs related to the sale of fuel which are already budgeted such as depreciation on fuel sales infrastructure and payroll expense for full-time employees:

sudii de depi ee		- aa pa/1-on-on-		
, , , , , , , , , , , , , , , , , , ,		Current FY12 Budget	Proposed FY12 Budget	Fund Balance Increase / (Decrease)*
92-01-00-4428	Fuel Sales Revenues	0	\$250,000	\$250,000
92-01-00-4620	Rent Income	4,000	0	(4,000)
92-01-00-5000	Cost of Fuel Sold	0	228,200	(228,200)
92-01-00-611X	Payroll Expense	0	6,500	(6,500)
92-01-00-7230	Material & Equipment	0	1,000	(1,000)
92-01-00-7351	Credit Card Processing	0	5,650	(5,650)
92-01-00-7360	Utilities	0	1,000	(1,000)
		Change in fue	el sales operation	3,650

		Current FY12 Budget	Proposed FY12 Budget	Fund Balance Increase / (Decrease)*
01-16-10-7241	Computer & Peripherals	0	\$1,600	(\$1,600
01-16-10-7230	Material & Equipment	0	\$400	(400
	Total additional appropriation fo	r Community You	th Development	(2,000
	riate funds for the removal, pro y and to budget for reimburseme :			
		Current FY12 Budget	Proposed FY12 Budget	Fund Balance Increase / (Decrease)*
01-01-09-4600	Miscellaneous Revenue	0	\$30,000	\$30,000
01-05-00-7312	Professional & Contractual Svc	0	\$30,000	(30,000
bridge on USFS	iate forest receipt Title III fund Road "G" at South Creek in Exc n adjacent Tongass forest lands vildfires:	ursion Inlet in	order to reduce	the impact o
		Current FY12 Budget	Proposed FY12 Budget	Fund Balance Increase / (Decrease)*
21-01-00-4534	Federal Revenue	0	\$50,000	\$50,000
21-01-00-7312	Professional & Contractual Svc	0	\$50,000	(50,000
		Net f	or bridge design	
	\$15,000 from the areawide gene nd to appropriate \$15,000 from the		elopment depar	
an analysis of A written report a	alaska Fish & Game data and man and expenses associated with pre Fisheries and other Alaska regul	agement policies senting the restatory agencies:  Current	ults of the resea	ation of a irch to the Fund Balance Increase /
an analysis of A written report a Alaska Board of	laska Fish & Game data and man and expenses associated with pre Fisheries and other Alaska regul	agement policies senting the restatory agencies:  Current FY12 Budget	Proposed FY12 Budget	rch to the  Fund Balance Increase / (Decrease)*
an analysis of A written report a Alaska Board of 01-98-00-8200	Alaska Fish & Game data and manned expenses associated with pre Fisheries and other Alaska regul Operating Transfer – Out from GF	agement policies senting the restatory agencies:  Current FY12 Budget  0	Proposed FY12 Budget \$15,000	rch to the  Fund Balance Increase / (Decrease)*  (\$15,000
an analysis of A written report a Alaska Board of 01-98-00-8200 23-98-00-8200	Alaska Fish & Game data and man- and expenses associated with pre Fisheries and other Alaska regul Operating Transfer – Out from GF Operating Transfer – In from GR	agement policies senting the restatory agencies:  Current FY12 Budget  0 0	Proposed FY12 Budget \$15,000 \$15,000	Fund Balance Increase / (Decrease)* (\$15,000
an analysis of A written report a Alaska Board of 01-98-00-8200 23-98-00-8200	Alaska Fish & Game data and manned expenses associated with pre Fisheries and other Alaska regul Operating Transfer – Out from GF	agement policies senting the rest atory agencies:  Current FY12 Budget  0 0 0	Proposed FY12 Budget \$15,000 \$15,000	Fund Balance Increase / (Decrease)* (\$15,000
an analysis of A written report a Alaska Board of 01-98-00-8200 23-98-00-8200 23-03-00-7312 (8)To budget fo	Alaska Fish & Game data and man- and expenses associated with pre Fisheries and other Alaska regul Operating Transfer – Out from GF Operating Transfer – In from GR	agement policies senting the restatory agencies:  Current FY12 Budget  0 0 Net fo	Proposed FY12 Budget \$15,000 \$15,000 \$15,000 r fisheries study	Fund Balance Increase / (Decrease)* (\$15,000 (15,000 (\$15,000

#### ORDINANCE # 11-10-273 Page 3

(9)To recognize and appropriate grant funds from the Alaska Energy Authority for the Excursion Inlet Hydro Project Phases I&II and to appropriate a \$10,000 operating transfer from the economic development fund as local match for the grant.

		Current FY12 Budget	Proposed FY12 Budget	Fund Balance Increase / (Decrease)
42-01-00-4341	State Revenue -Grants	0	\$93,593	\$93,593
42-01-00-7392	Project Expenditures	0	\$103,593	\$(103,593)
42-01-00-8255	Operating transfer IN from Economic Development	0	\$10,000	\$10,000
23-98-00-8255	Operating transfer OUT from Economic Development	0	\$10,000	\$(10,000)
		Net	for Hydro Study	\$(10,000)

<sup>\*</sup> A positive amount in this column is favorable. A negative amount is unfavorable.

ADOPTED BY A DULY CONSTITUTED QUORUM OF THE HAINES BOROUGH ASSEMBLY THIS 13th DAY OF DECEMBER, 2011.

ATTEST:

Julie Cozzi, MMC

Date Introduced: Date of First Public Hearing: 10/25/11 11/15/11

Date of Second Public Hearing:

12/13/11 - ADOPTED

Stephanie Scott, Mayor

From: Donald Churchill [mailto:churchilljr@gmail.com]

**Sent:** Sunday, November 06, 2011 9:26 PM

To: Julie Cozzi

**Cc:** rep\_bill\_thomas@legis.state.ak.us; sscott@aptalaska.net; debra.schnabel@gmail.com

Subject: Lynn Canal Gillnetter's Association Request for Financial Support

Dear Julie,

Lynn Canal Gilnetter's Association (following LCGA) is requesting financial support from the Haines Borough for the purpose of hiring an independent fisheries analyst to review Alaska Department of Fish & Game (following ADFG) data and management policies for the past 30 years and compiling a report on the findings and solutions to our ever decreasing stocks of Chilkoot and Chilkat salmon.

The problems we face are many, to list our most pressing concerns:

- 1. The over harvest of Lynn Canal bound salmon in the interception corridor of Icy Straits
- 2. Not meeting even minimum escapement goals to maintain healthy future returns
- 3. Getting ADFG management, Juneau to recognize the extend of the problem and convince them to take the necessary steps to achieve maximum escapement goals

The effects of this problem reaches every corner of our community: cultural, economic, subsistence, sport, and commercial. Therefore the benefits will reach those same corners. This report will be essential in LCGA's presentation in front of not only the Board of Fish but also the Salmon Task Force and the Commissioner of ADFG to take whatever action is needed to rebuild Upper Lynn Canal's irreplaceable and pristine salmon runs. This report would be made available to any and all user groups including subsistence, sport, and commercial fishing, and of course the Haines Borough.

LCGA is seeking financial support from the Haines Borough in the amount of \$9,000.00.

For any questions or further information please contact me at (907) 723-0591 or by email <a href="mailto:churchillir@gmail.com">churchillir@gmail.com</a>.

Sincerely,

JR Churchill for Lynn Canal Gilnetter's Association, Haines

# Burl Sheldon P.O. Box 952 Haines, AK 99827 907-303-7302; burls58@yahoo.com

December 16, 2012

The Honorable Stephanie Scott Mayor, Haines Borough P.O. Box 1209 Haines, AK 99827

**RE: Comments on Golder Associates Fisheries Data Review Report** 

Madame Mayor,

I have reviewed the Golder Associates document *Data Review of the Sockeye Salmon Decline in Chilkat and Chilkoot Lakes, Southeast Alaska*. I have made some selective comments and recommendations for your consideration.

## 1.0 Introduction (Page 3)

- A. Perhaps this is an oversight of the borough, only requested info on sockeyes originating from the <u>lakes</u>, but I believe Golder also has an unfulfilled responsibility. Golder makes no reference to spawning that occurs in the Chilkat River main stem. A small but important fraction of Chilkat sockeye production is based on main stem spawning.
  - An important question: As returns to Chilkat Lake have been low, is the fraction of the total Chilkat return originating from the mainstem higher/increasing, or is it also low? It is my underwstanding that the mainstem spawn has grown significantly in importance in recent years. If we accept the assumption that ocean survival is the same for both groups, then freshwater management and/or limnological and competitive factors are important.
- B. Golder states that Lutak Inlet is important as a secondary rearing area for the (smaller) Chilkoot Sockeye smolts. NSRAA has a King Salmon net-pen rearing program in Lutak Inlet. While it

would be very challenging to show causation, might net-pen rearing and king-salmon returns could influence the success of sockeye smolt rearing in Lutak?

#### 1.0 Introduction (Page 4, Paragraph 1)

Golder states that Chilkat and Chilkoot sockeye are harvested commercially <u>"entirely"</u> by the Lynn Canal Drift Gillnet fishery. (cites Eggers 2009, 2010)..

While the data still may currently be unavailable, it is important to request clarification from Golder: <u>Is Golder stating that no seine interception occurred in 2011 or 2012?</u>

#### 3.3 Data Gaps and Sufficiency of Existing Info. (Bottom Page 30):

Golder produces a very salient analysis of the gaps and weaknesses of ADFG lake water quality data.

#### Bullet 1:

Possible Action 1—Request ADFG to discuss with the borough assembly their view of the gaps and weaknesses of water quality data identified in Golder

#### Bullet 2:

Possible Action 2—Borough request that ADFG fund the necessary work to ensure that resource managers have all necessary limnological and water quality data to successfully manage the resource.

## 3.4 Management Options to Help Sockeye Recovery (Page 3):

<u>Fry Stocking</u> – (stock augmentation by means of hatchery enhancement).--This is what NSRAA did in Chilkat Lake. Bad Idea. Generally, there was not a lack of spawning, as NSRAA asserted. Other factors are involved (nutrients, light transparency (Chillkoot), competition, etc.). Also it is contrary to the ADFG policy of keeping wild fish and hatchery fish separate where hatchery impacts might impact wild stocks.

[But this thinking apparently doesn't prevent ADFG from permitting HUGE releases of Chum in Lynn Canal at Boat Harbor, when the Lynn Canal already supports a robust wild Chum run on the Chilkat]

<u>Lake Fertilization -- (adding Phosphorus &/or Nitrogen)--</u>My opinion is that this approach courts unintended consequences, but it is done with success and it is reversible.

<u>Bio-Control of Three-Spined Stickleback (Chilkat Lake only)--</u>There is probably a significant level of competition for the available food-base in Chilkat Lake between juvenile sockeye and sticklebacks. Golder suggests one possible "bio-control" --introducing a sterile predator (sterile cutthroat trout @ 25cm).

Regardless of the level of research prior to any introduction of an engineered predator, there may be unintended consequences here as well. For example, what if the Chilkat Lake environ made it such that the Sockeye fry/juveniles were the preferred food for the Franken-fish, rather than the sticklebacks? That would be a disaster. With bio-control introductions you won't know how it will turn out until after the "project" is underway. There is no advanced guarantee. Unintended consequences are very possible

However, I like the way Golder covers the potential unintended consequences issue by recommending that extensive preliminary evaluations be completed beforehand:

Researching how/if stickleback competition limits sockeye production (a) food-habit study, b) sampling program for sockeye and sticklebacks).

Conducting this type of research is a fine idea and does not predispose the community to any outcome. From the data presented, it seems that, at times, there are <u>LOTS</u> of 3-spined sticklebacks in Chilkat Lake. They share the ecosystem and may be an important factor in Sockeye productivity.

#### Questions on Bio-Control

What is the view of ADFG on the "Bio-Control" issues raised by Golder?

Can the state fund the necessary research to determine if stickleback abundance limits Chilkat Lake Sockeye production.

Might there be a role for a TWC collaboration with ADFG regarding a range of lake water quality, productivity and competition questions?

#### 3.6 Conclusion

Below is the language by Golder, restating one of the Haines Borough's data objectives:

"To evaluate the sufficiency of existing data to identify the causes of decline and effectively manage the fisheries, and identify key data gaps."

Page 35— GOLDER QUOTE: "There does not seem to be any evidence that escapement levels have been inadequate or that harvest policies have adversely affected the productivity of the system. <u>However, we have not examined in detail the information on harvest rates of local stocks among areas."</u>
Golder goes no to say that the local returns mirror other sockeye returns in the region.

It may be that some analyses that the borough is due have not been provided. Golder's conclusion (partial summary above) leaves some questions unanswered.

#### **Question for Golder:**

1. For those Chilkat and Chilkoot sockeye adults harvested in commercial or subsistence gear, please evaluate the sufficiency of data to attribute harvest by gear type and to identify the percent of the sockeye harvest attributed to individual (Chilkat or Chilkoot) stocks?

(Who killed 'em and where did they come from?)

2. If the data are not sufficient, what new studies/research investments would be required of ADFG to ensure that harvest levels by gear-group, of Chilkat and Chilkoot Sockeye stocks, can be determined annually and as a routine component of the management/harvest assessment rubric?

#### **Questions for ADFG:**

- 1. Our contractor Golder Associates stated that Chilkat sockeye salmon harvest data from 2008 2011 "were not available" (noted in sub-text on figure 10, page 17). Why are Chilkat harvest data unavailable for the past 5 years? When will they be made available? Will they show the area where the harvest of the respective stocks occurred?
- 2. Chilkoot harvest data was not available for 2011. When will it be available and will it show the areas where harvest occurred?
- 3. What resources might ADFG need to ensure that harvest data analysis is completed and available to the public in a timely fashion?

Thank you for the opportunity to comment of this important matter.

Sincerely,

**Burl Sheldon** 

Burl Shelon

## Haines Borough Assembly Agenda Bill

Agenda Bill No.: 12-217

Assembly Meeting Date: 1/8/2013

Business Item Descripti	on:	Attachments:
Subject:		1. 12/28/12 Memo from the Mayor     2. Klehini Bridge Replacement Project Scoping Package
Klehini Bridge Replacement - Con	nment Period	3. Comments - RVenables
Originator:		4. Comments - RJosephson
Mayor Scott (agenda bill by the cle	erk's office)	5. Comments - MSogge
Originating Department:		
Mayor		
Date Submitted:		
12/31/2012		
Full Title/Motion:		
•	nbly preparing comme	ents for submission to the ADOT&PF regarding the Klehini
Bridge Replacement Project.	bry proparing commit	Site for eastineering the file in the file
Administrative December	andation.	
Administrative Recomm	endation:	
Fiscal Impact:		
<u>-</u>	Amoun	t Pudgeted Apprepriation Dequired
Expenditure Required		t Budgeted Appropriation Required
\$	\$	\$
Community of the Commun		
Comprehensive Plan Col	nsistency Revie	
Comp Plan Policy Nos.:		Consistent: Tes No
Summary Statement:		
The ADOT&PF is accepting comm	nents until 1/21/13 on	the proposed Klehini Bridge replacement which includes
		The assembly will have an opportunity to discuss this project
and develop comments, if desired		
Referral:		
Sent to:		Data
00	Defember	Date:
Recommendation:	Refer to:	Meeting Date:
Assembly Action:		
Workshop Date(s):		Public Hearing Date(s):
Meeting Date(s): 1/8/13		Tabled to Date:
5 (-) 1/0/10		

### Memorandum

Haines Borough Office of the Mayor 103 Third Avenue S. Haines, Alaska 99827 sscott@haines.ak.us Voice (907) 766-2231 ext. 30

December 28, 2012

To: Mark Earnest, Borough Manager

Cc: Julie Cozzi, Borough Clerk; Darsie Culbeck, Executive Assistant to the

Manager; Borough Assembly

From: Stephanie Scott, Mayor, Haines Borough

Subject: Klehini River Bridge replacement and transfer of ownership from the

State of Alaska to the Haines Borough

The State of Alaska is proposing an \$8.5 replacement and realignment of the Klehini River Bridge for Federal Fiscal Year (FFY) 2014 (October 1, 2013 through September 30, 2014). This project was originally scheduled for FFY13, but has been delayed, despite the 2012 Alaska Bridge Report that classifies the bridge as "structurally deficient and functionally obsolete." There is no doubt that this bridge needs replacement. Forester Roy Josephson writes (Dec. 28, 2012 email):

The weight restrictions on the existing bridge do create problems with some logging and mining equipment and the height of the bridge has also created problems with some equipment and taller loads."

I do not question the need for replacement; I am concerned about the delay but I believe we can request an updated inspection in order to assure the safety of the users.

But I am highly concerned about the requirement that the bridge be transferred to the municipality. I hope you can help me understand under what authority this transfer will take place? And under what authority will the Borough raise revenue to maintain the structure?

The issue of bridge transfer seems to be further complicated by somehow including the Porcupine Road, which according to DOT/PF spokesperson John Barnett with whom I spoke by phone (12/27/12), is also to be transferred to the Borough upon replacement of the bridge. Mr. Barnett referred to a now outdated MOA between the State and the Borough indicating agreement that transfer would take place once upgrades (chip sealing Porcupine Road) and bridge replacement were completed.

The Haines Borough Charter does not list road construction or maintenance as one of its area wide powers. (Article VI, Section 6.01). HBC 7.08.070 creates the Twenty-Five Mile Road Maintenance Service Area but I do not know if the boundaries incorporate the bridge. Even if they do, is it good public policy to attach an \$8.5 asset to such a small group of taxpayers?

My questions are: Should the borough refuse to take ownership of the bridge given our limited revenue base for supporting such an asset? If not, what steps does the Borough need to take in order to acquire the authority to own and maintain the bridge?

Thank you for your careful consideration to these matters of such weighty fiscal importance to the Borough.



# Department of Transportation and Public Facilities

SOUTHEAST REGION DESIGN & ENGINEERING SERVICES
Preconstruction

6860 Glacier Highway PO Box 112506 Juneau, Alaska 99811-2506 Main: 907.465.4444 Toll free: 800.575-4540 Fax: 907.465.4414

In Reply Refer To: HNS – Klehini Bridge and Transfer Project #69377 / BR-0003(152) Request for Scoping Comments

December 21, 2012

Dear Agency Representative,

The Alaska Department of Transportation and Public Facilities (DOT&PF), on behalf of the Alaska Division of the Federal Highway Administration (FHWA), requests comments regarding a proposed bridge replacement project in Haines, Alaska.

The project is located north of the City of Haines on Porcupine Road at approximately Haines Highway mile post 26 and is in Section 26, Township 28 South, Range 55 East of the Copper River Meridian, (Latitude 59 ° 24' 75" North, Longitude 135° 57' 0" W NAD 83), on the Skagway-B3, USGS Quadrangle Map, (Refer to Key & Regional Maps sheet 1 of 9 and the Vicinity Map, sheet 2 of 9). Proposed work would be within a transportation corridor that includes the existing Klehini River Bridge and Porcupine Road as it crosses Department of Natural Resources (DNR) land in the Chilkat Bald Eagle Preserve (Preserve).

## **Project Description**

The existing bridge is limited to single lane traffic, has vertical height restrictions and fails to meet current bridge standards. The 2012 Alaska Bridge Report lists this structure as structurally deficient and functionally obsolete. A 2011 DOT&PF bridge inspection report documents the deteriorating structural conditions of the bridge.

DOT&PF proposes to replace the existing single lane steel truss bridge with a two-lane wide concrete bulb tee bridge. Current vertical clearance restrictions would also be removed. The new Klehini River bridge would accommodate the agricultural, logging, mining, construction, and recreational vehicles that need to cross the river. Covenant Life, a community of approximately 85 residents on the west side of the bridge, would also rely on the bridge to access the Haines Highway road system (refer to Study Area Maps, sheets 3 and 4 of 9, and Bridge and Typical Road Section Drawings sheets 5 through 9 of 9).

HNS – Klehini Bridge and Transfer Project #69377 / BR-0003(152) Request for Scoping Comments December 21, 2012

The proposed project would

- construct a two-lane concrete bridge across the Klehini River on downstream side of the existing bridge
- · remove and dispose of the existing Klehini Bridge
- · dredge, excavate and fill in the Klehini River
- realign roadway approaches to the new bridge
- · reconstruct a portion of Chilkat Lake Road
- reconstruct drainage along Porcupine Road and Chilkat Lake Road
- replace bridge and roadway signage and striping
- shift the transportation corridor Right-of-Way (ROW) in the DNR Preserve
- vacate the existing transportation corridor and obliterate the old roadway
- execute an agreement between DOT&PF and the Haines Borough for maintenance and operation of the transportation corridor
- · transfer ownership of the new bridge and corridor to the Haines Borough

#### Identified Resources & Potential Impacts

**ROW** - The existing Klehini River Bridge is within the State of Alaska ROW within the Preserve owned by DNR, DOT proposes to acquire sufficient ROW to accommodate the location of the new bridge and roadway. Upon completion of the new construction and demolition of the existing structure, the ROW no longer required for the new transportation corridor would be relinquished to DNR.

In-water Work - The in-water footprint would include two in-water bridge piers and embankment work along approximately 600 lineal feet on each side of the Klehini River. Approximately 2,000 cubic yards of material would be dredged from the Klehini River to remove the old embankment. The project would require authorization from the United States Army Corps of Engineers (USACE) for dredging, as well as excavation and fill in waters of the U.S. (Klehini River). Authorization may also be required from the U.S. Coast Guard for construction of a bridge over a navigable waterway (Klehini River).

**Fish Habitat** - The Klehini River is an anadromous stream with known salmon habitat. DOT&PF would work with permitting agencies regarding fish window restrictions for construction of the proposed project as well as habitat avoidance, minimization, and enhancement opportunities.

Eagles - US Fish and Wildlife (USFWS) and DOT&PF conducted an aerial survey for eagle nests in May of 2012. No known eagle nests were found within 660 feet of the proposed construction areas of the project.

Historic/Cultural Resources - The Alaska Historical Resource Survey (AHRS) database indicates there are known historic sites nearby on the Haines Highway and in the vicinity of the Haines Borough that have been determined eligible for listing on the National Register. The proposed bridge replacement would require ground disturbing activities, and DOT&PF would conduct Section 106 consultation with the State Historic Preservation Office (SHPO).

HNS – Klehini Bridge and Transfer Project #69377 / BR-0003(152) Request for Scoping Comments December 21, 2012

The project would not have visual impacts. There is currently a roadway and bridge next to the proposed bridge location.

**Temporary Impacts** - The proposed project may result in some temporary traffic impacts during construction. Short delays in traffic and frequent single lane controls would be expected. Temporary construction related noise and air quality degradation are not anticipated to be excessive.

#### **Request for Comments**

We request your comments on the proposed action, particularly in regard to potential impacts to resources under your jurisdiction. DOT&PF must also determine to what extent this project will impact coastal zone resources and cultural or historic properties. If you have information that would assist in these determinations, please provide it.

To comply with certain interagency agreements, we also request the views of applicable agencies on potential effects on bald eagles and threatened and endangered species. Your comments will be included in the project's environmental document. We would appreciate your response by January 21, 2012.

Thank you for your consideration of this request for comments. If you have questions or require clarification on any elements of the proposal, please contact me at (907) 465-4504 or by e-mail at john.barnett@alaska.gov. You may also contact the Project Environmental Analyst, Cheryl Benson directly at 907-465-1826, or by e-mail at <a href="mailto:cheryl.benson@alaska.gov">cheryl.benson@alaska.gov</a>.

Sincerely

John Barnett

Project Environmental Coordinator

Enclosures:

Key and Regional Maps (sheet 1 of 9)

Vicinity Map (sheet 2 of 9)

Study Area Maps (sheets 3 and 4 of 9)

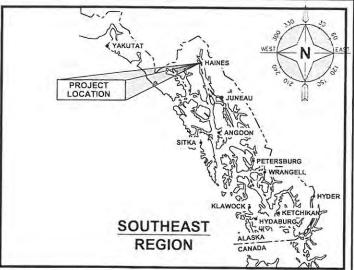
Typical Sections (sheets 5 through 9 of 9)

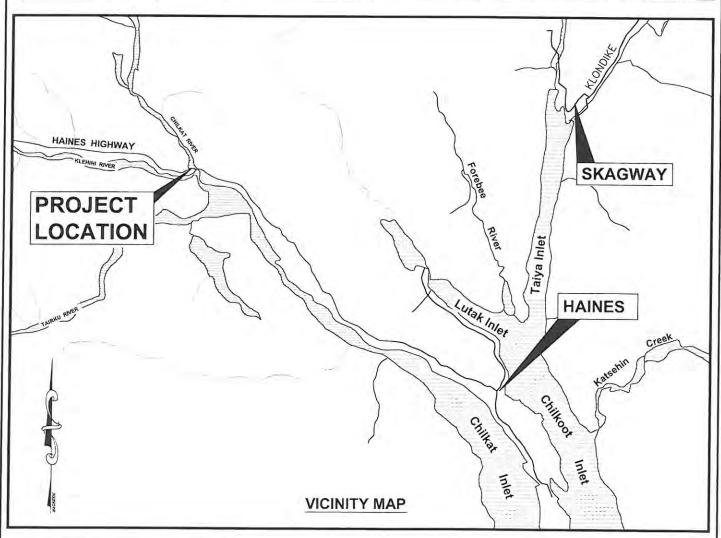
HNS – Klehini Bridge and Transfer Project #69377 / BR-0003(152) Request for Scoping Comments December 21, 2012

Distribution list:
Stephanie Scott, Mayor, Haines Borough
Mark Earnest, Haines Borough Manager
Jerri Clarke, Museum Director, Sheldon Museum
Tanya Carlson, Tourism Director, Haines Convention and Visitor Bureau
Matthew Lacroix, EPA Region 10, Anchorage
Becky Fauver, EPA, Region 10, Seattle
Bill Hanson, Field Supervisor, USFWS
Mary Goode, Marine Habitat Research Specialist, NOAA Fisheries
William Ashton, Manager, Division of Water, DEC, Anchorage
Brad Ryan, Executive Director, Takshanuk Watershed Council
Jackie Timothy, ADF&G
Randy Vigil, USACE
Dave Casey, USACE
James Helfinstine, USCG

Cc: Jane Gendron, SE Region Environmental Manager, DOT&PF
Matt Van Alstine, P.E., Project Manager, DOT&PF
Pat Carroll, P.E., Design Group Chief, DOT&PF
Michael Kell, PQI, DOT&PF
Ben White, Statewide Environmental Manager, DOT&PF
Laurie Mulcahy, Cultural Resource Manager, DOT&PF
Alex Viteri, Jr., P.E. Southeast Area Engineer, FHWA







WATER BODIES: KLEHINI RIVER

## **KEY & VICINITY MAPS**

APPLICATION BY:

ALASKA STATE DEPT. OF TRANSPORTATION
AND PUBLIC FACILITIES
DESIGN & ENGINEERING SERVICES DIVISION
SOUTHEAST REGION

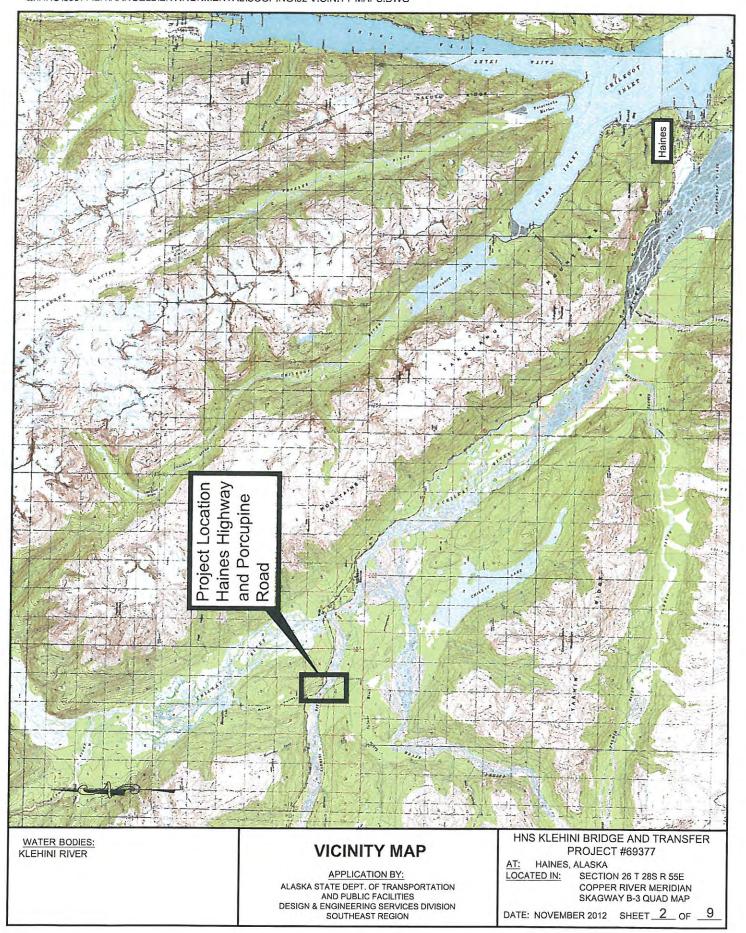
HNS KLEHINI BRIDGE AND TRANSFER PROJECT #69377

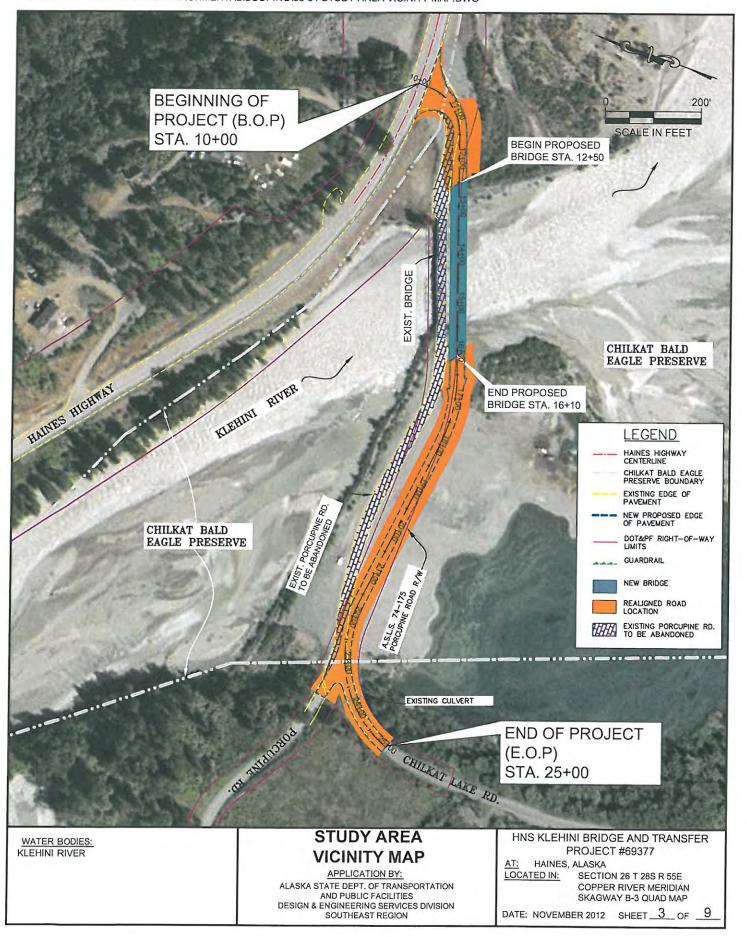
AT: HAINES, ALASKA

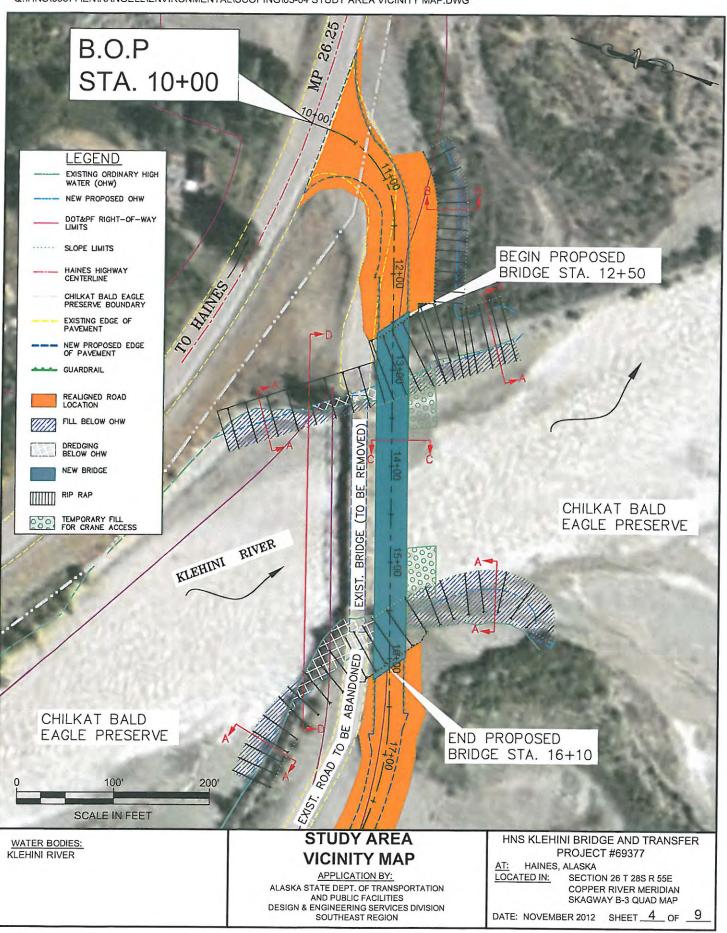
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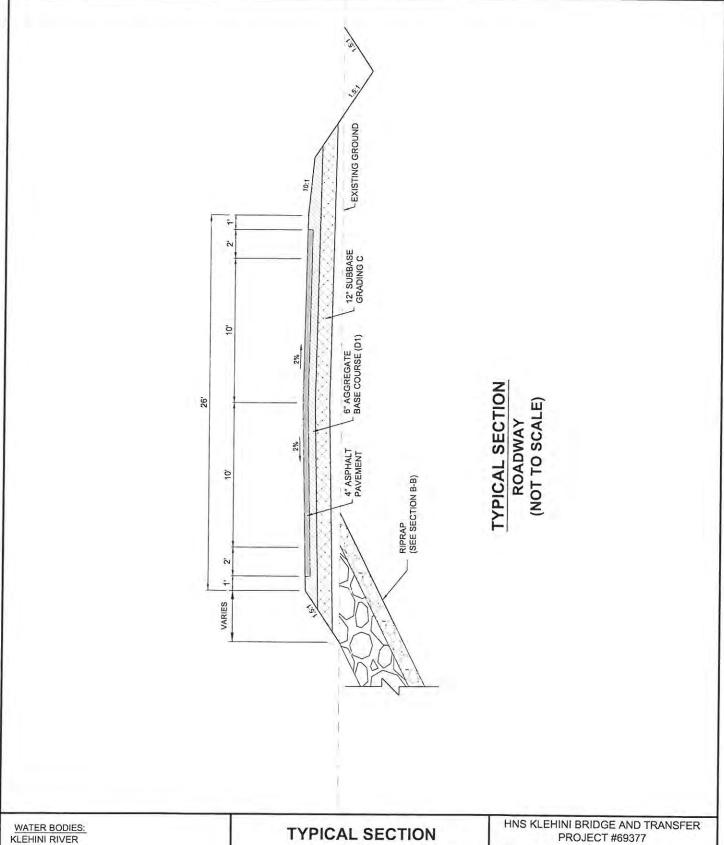
SECTION 26 T 28S R 55E COPPER RIVER MERIDIAN SKAGWAY B-3 QUAD MAP

DATE: NOVEMBER 2012 SHEET 1 OF 9









APPLICATION BY:

ALASKA STATE DEPT. OF TRANSPORTATION
AND PUBLIC FACILITIES

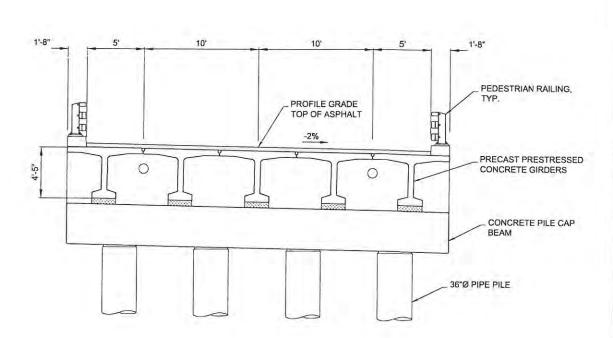
DESIGN & ENGINEERING SERVICES DIVISION
SOUTHEAST REGION

AT: HAINES, ALASKA

LOCATED IN: SECTION

SECTION 26 T 28S R 55E COPPER RIVER MERIDIAN SKAGWAY B-3 QUAD MAP

DATE: NOVEMBER 2012 SHEET 5 OF 9



## TYPICAL BRIDGE SECTION C-C STA. 12+50 TO 16+10 (NOT TO SCALE)

WATER BODIES: KLEHINI RIVER

#### TYPICAL SECTION

APPLICATION BY:

ALASKA STATE DEPT. OF TRANSPORTATION
AND PUBLIC FACILITIES

DESIGN & ENGINEERING SERVICES DIVISION
SOUTHEAST REGION

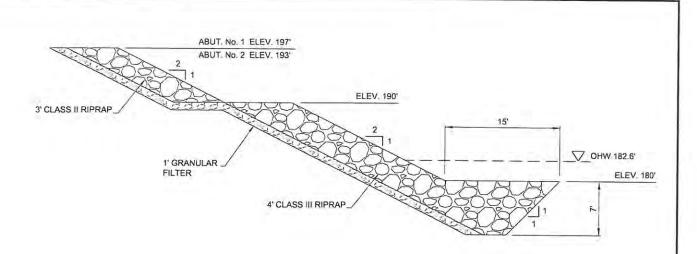
HNS KLEHINI BRIDGE AND TRANSFER PROJECT #69377

AT: HAINES, ALASKA

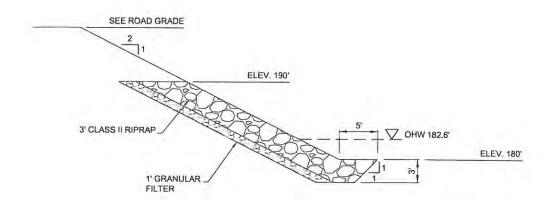
LOCATED IN: SECTION 2

SECTION 26 T 28S R 55E COPPER RIVER MERIDIAN SKAGWAY B-3 QUAD MAP

DATE: NOVEMBER 2012 SHEET 6 OF 9



# RIPRAP SECTION A-A (NEAR NEW BRIDGE) (NOT TO SCALE)



# RIPRAP SECTION B-B (AWAY FROM BRIDGE) (NOT TO SCALE)

NOTE: OHW IS APPROXIMATE AND VARIES

WATER BODIES: KLEHINI RIVER

#### TYPICAL SECTION

APPLICATION BY:
ALASKA STATE DEPT. OF TRANSPORTATION
AND PUBLIC FACILITIES
DESIGN & ENGINEERING SERVICES DIVISION
SOUTHEAST REGION

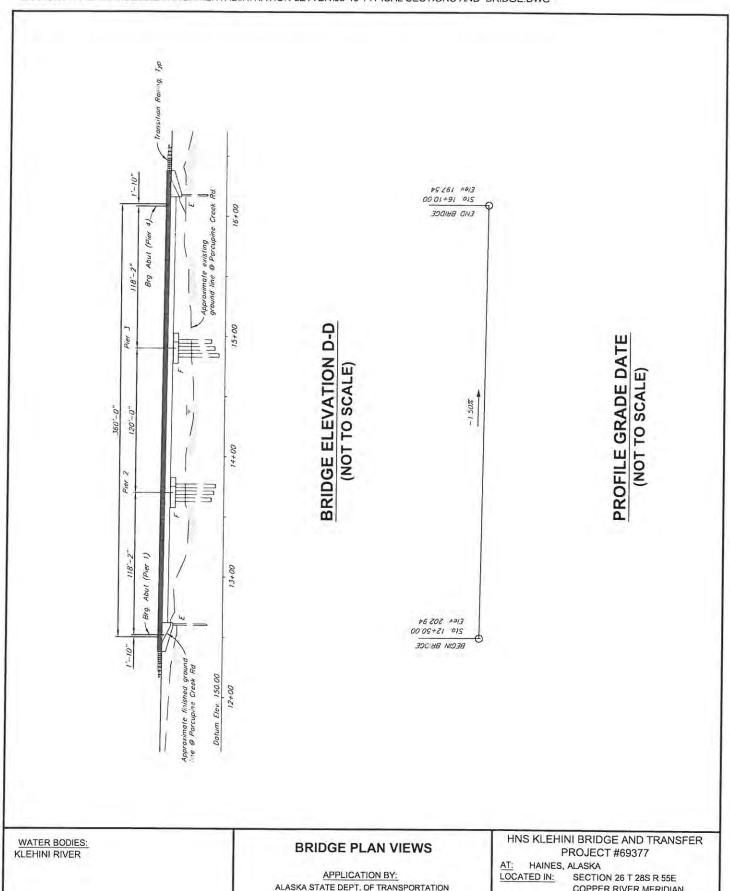
HNS KLEHINI BRIDGE AND TRANSFER PROJECT #69377

AT: HAINES, ALASKA

LOCATED IN: SECTION 26 T 28S R 55E COPPER RIVER MERIDIAN

SKAGWAY B-3 QUAD MAP

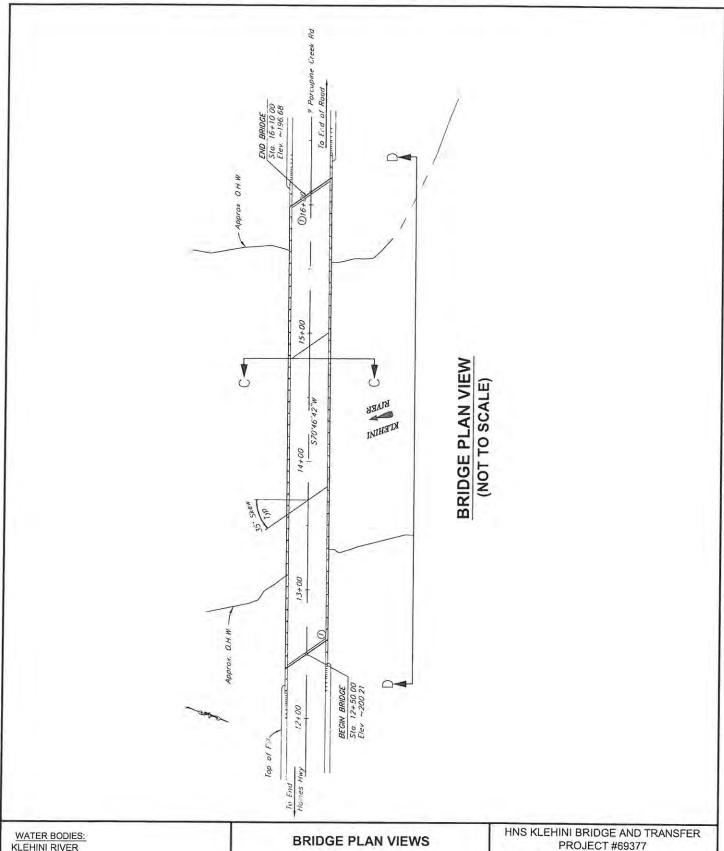
DATE: NOVEMBER 2012 SHEET 7 OF 9



ALASKA STATE DEPT. OF TRANSPORTATION AND PUBLIC FACILITIES DESIGN & ENGINEERING SERVICES DIVISION SOUTHEAST REGION

COPPER RIVER MERIDIAN SKAGWAY B-3 QUAD MAP

DATE: NOVEMBER 2012 SHEET 8 OF



KLEHINI RIVER

APPLICATION BY: ALASKA STATE DEPT. OF TRANSPORTATION AND PUBLIC FACILITIES DESIGN & ENGINEERING SERVICES DIVISION SOUTHEAST REGION HAINES, ALASKA

LOCATED IN:

**SECTION 26 T 28S R 55E** COPPER RIVER MERIDIAN SKAGWAY B-3 QUAD MAP

DATE: NOVEMBER 2012 SHEET 9 OF 9 From: "Robert Venables" < <a href="mailto:venables@aptalaska.net">venables@aptalaska.net</a>>

**Date:** December 26, 2012, 8:42:06 PM AKST **To:** "'Stephanie Scott'" <sscott@haines.ak.us>

Subject: RE: Sending Scoping Letter, Request your comments by Jan 21, 2013:

Klehini Bridge Project 69377

I hope the borough does not "over-think" all the possible ramifications of this project....it has been LONG discussed (off and on since the 3<sup>rd</sup> class borough days during Jan Hill's first term as mayor). The borough almost took possession back then but agreed to take ownership once the bridge was replaced (that was when the road was transferred). Bridges last for how long? The current bridge is possibly prestatehood? If the replacement bridge is properly constructed it will outlast us all. And when the time does come for replacement, the state has generally shown its willingness to participate in such "bigticket" fiscal needs. The only consistent maintenance the state seems to have done is replacing wooden planks which will not be necessary with the new concrete bridge – but I am glad you have asked the question about maintenance – that is information the borough and RMSA needs to have in advance. I am also glad you have asked about the new STIP date – but that might not be possible to avoid....but the sooner the better as the bridge does need to be replaced (not sure I'd use adjectives, such as "risky" yet, but obsolete is likely very accurate with risky on the near horizon). I would be comfortable if the state says the bridge is fine for another year.

While the residents who live across the bridge, along Chilkat Lake Road, Corinna, Eagle Bluff Drive, Porcupine Road and out at Chilkat Lake are direct beneficiaries of this project, it is of importance to all borough residents who use the road systems for subsistence, logging, mining, agricultural and recreational purposes. This project is sorely needed and long awaited. It has been discussed at our RMSA meetings in the past. We have members out of town right now, or we could call a special meeting. I will be sure to have that issue on the next agenda to formally express the support for this project. Also very important is the road realignment that is part of this project – please be sure to mention that in the official remarks to the state. All in all, this is a much needed project that should have universal support.

Thanks for your attention to all the details and for including the RMSA in your correspondence. I will email them this information as well.

#### Robert

PS – The STIP 4 project delays (and community project drop offs) are largely due to funding formula cutbacks from the federal government.

From: Stephanie Scott [mailto:sscott@haines.ak.us]
Sent: Wednesday, December 26, 2012 3:46 PM

To: venables@aptalaska.net

Subject: FW: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge Project

69377

Hi Robert,

Please take a look at the attached scoping package for the Klehini River Bridge. I have asked Mr. Barnett to reconcile this request for comment with the status of the project as outlined in the STIP 4

amendment – which puts it in FFY14 as opposed to FFY13. According to the Alaska Bridge Report, this bridge is "structurally deficient and functionally obsolete." Are they overstating the case? If not, it seems risky to push this project out any further into the future. Perhaps the RSMA might want to think about this.

I am also concerned about the requirement that the bridge be transferred to the Borough. It is an \$8.5 million project. To my simple way of looking at it, that means that sometime in the future, the community will need to come up with \$8.5 million + to replace it once again. Also, I wonder what kind of a budget needs to be set aside for maintenance? I have inquired. It would be great for others to chime in. I am sure there is much I do not know!

S

From: Stephanie Scott

Sent: Friday, December 28, 2012 11:36 AM

To: Julie Cozzi; Mark Earnest

Subject: Fwd: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge Project

69377

Hi Julie,

This is information that can be included with the Borough's Klehini River Bridge comment. We should also hold this comment over as we take a look at the proposed MOA between the Borough and the State regarding transfer.

S

Stephanie Scott Mayor, Haines Borough 907-766-2231 ext.30

Begin forwarded message:

From: "Josephson, Roy M (DNR)" < roy.josephson@alaska.gov>

Date: December 28, 2012, 11:24:36 AM AKST

**To:** Stephanie Scott < <a href="mailto:sscott@haines.ak.us">sscott@haines.ak.us</a>>, "Palmieri, Greg J (DNR)"

<greg.palmieri@alaska.gov>

Subject: RE: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge Project 69377

Hi Stephanie. Yes, this access is very important to the Division of Forestry. We have 19,564 acres of forest land or 47% of our timber base that is scheduled to come across this bridge. There are also very obvious mineral potential access needs for this bridge crossing. The weight restrictions on the existing bridge do create problems with some logging and mining equipment and the height of the bridge has also created problems with some equipment and taller loads. My experience is that the single lane has not been a problem. I'm sure the people that live across there may have more insight into that. I think the DOT design and location look fine.

As a borough resident, I would hate to see the borough take responsibility for the bridge. With all infrastructure there is a maintenance cost that takes taxpayer money. Everything is fine with a new road or a new bridge but at some point problems do occur. Storm events happen or things deteriorate over time and repairs need to be made. If our borough government keeps expanding and continually taking on new responsibilities our taxes are going to have to continue to increase to pay for those responsibilities. Perhaps the development of the Port and the development of the Constantine Mine project will offset some of the tax increase needs but I think we need to be careful what we take on.

Roy

From: Stephanie Scott [mailto:sscott@haines.ak.us]
Sent: Thursday, December 27, 2012 5:30 PM

**To:** Josephson, Roy M (DNR); Palmieri, Greg J (DNR) **Subject:** Fwd: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge Project 69377

Hi Roy, Hi Gregg,

Have you any comments on the new schedule for the replacement of the Klehini River Bridge? It has been pushed back to FFY14 from FFY13; though there is \$200,000 in FFY13 for design and presumably permitting activity.

I am curious about the Borough's intention to have the bridge transferred to the municipality. Doesn't the state have an interest in maintaining access to timber and minerals across the bridge?

S

Stephanie Scott Mayor, Haines Borough From: Stephanie Scott

**Sent:** Monday, December 31, 2012 12:16 PM

To: Julie Cozzi

Subject: Attachment to Borough comment on Klehini River Bridge

Hi Julie,

Here is another local perspective on the bridge design. This comment relates to the impact on salmon habitat. Might this be attached to the agenda item for the Klehini River Bridge comment?

S

Stephanie Scott Mayor, Haines Borough

Begin forwarded message:

From: "Sogge, Mark M (DFG)" < <u>mark.sogge@alaska.gov</u>>

**Date:** December 31, 2012, 11:07:26 AM AKST **To:** Stephanie Scott <sscott@haines.ak.us>

Subject: RE: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge

Project 69377

Hi Stephanie,

I am permanent seasonal at ADFG, working 11 months a year as the assistant commercial fisheries manager/stock assessment biologist.

This office has corresponded with the ADFG Habitat Division concerning fisheries issues and the best timing for this work. There may possibly be rearing coho salmon along the shoreline in this area at any time of year, and coho, chum, and king salmon migrate through this area to access upstream spawning habitat. In the spring, outmigrant smolt from these spawners migrate down the Klehini River.

The best practice is to do as much of the work as possible in times of low water, minimizing the amount of inwater work required. It may also be possible to exclude any rearing or migrating fish from the work site, avoiding direct impact.

I do not know if any spawning occurs at the actual bridge site, but given the way the river is currently funneled through this area that is unlikely, though certainly not impossible.

It looks like a very good bridge design, and the widening of the river with a longer bridge will certainly be better from a fisheries standpoint. It should be noted that the piling will alter the mid-channel flow and likely cause localized riverbed scour and deposition. I assume that this impact has been recognized and considered in the design process.

As for the Eagle Preserve Council.....I have in the past sat on this Council. Currently, either Randy Bachman or Rich Chapell represents the local ADFG office. I will serve as an alternate if needed. Otherwise I could attend as an interested member of the public.

Hope this helps a little.

Mark

From: Stephanie Scott [mailto:sscott@haines.ak.us]
Sent: Thursday, December 27, 2012 5:09 PM

To: Sogge, Mark M (DFG)

Subject: RE: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge Project 69377

Thank you. Are you permanent at ADF&G? If so, it would be great if you could arrange to come to the Bald Eagle Preserve Advisory Committee meetings sometime! Enjoy your day off! Sure is fun to have the kids at home.

And thanks for your help.

#### Stephanie

From: Sogge, Mark M (DFG) [mailto:mark.sogge@alaska.gov]

Sent: Thursday, December 27, 2012 4:59 PM

To: Stephanie Scott

Subject: RE: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge Project 69377

Hi Stephanie,

I would be happy to take a look at this in the next few days. I am taking the day off tomorrow since Caitlin is leaving...but will be back here on Monday.

I'm listening to your kids playing music on the radio...nice to hear them.

See you,

Mark

From: Stephanie Scott [mailto:sscott@haines.ak.us]
Sent: Thursday, December 27, 2012 4:46 PM

To: Sogge, Mark M (DFG)

Subject: Fwd: Sending Scoping Letter, Request your comments by Jan 21, 2013: Klehini Bridge Project 69377

Hi Mark,

Do you suppose that you could take a look at this plan to replace and realign the Klehini River Bridge with respect to impact on the salmon spawning that goes on in the river? The Borough wants to comment and I am unsure about what we should say to emphasize the importance of the habitat to fish rearing.

Thanks.

S

Stephanie Scott Mayor, Haines Borough

# Haines Borough Assembly Agenda Bill

Agenda Bill No.: 13-215
Assembly Meeting Date: 1/8/13

Business Item Description:	Attachments:
Subject:	1. 12/31/12 Memo from the Mayor
Establish an ad hoc FY14 Nonprofit Funding Committee	90
Originator: Mayor (Agenda Bill by Clerk's Office)	
Originating Department:	
Mayor's Office	
Date Submitted:	
12/31/12	
Full Title/Motion:	
	ofit funding committee with the composition and scope of
work as recommended by the mayor in her December	
Motion #2: Confirm the appointments of Assembly Me	mber Waterman and community member Carol Tuynman to
the committee.	
Administrative Recommendation:	
Administrative Recommendation.	
Fiscal Impact:	
Expenditure Required Amou	nt Budgeted Appropriation Required
\$ \$	\$
	Т
<b>Comprehensive Plan Consistency Revie</b>	ew:
Comp Plan Policy Nos.:	Consistent: ☐Yes ☐No
Summary Statement:	
The mayor would like to establish an ad hoc nonprofit	funding committee for the FY14 budget process, and she
seeks assembly confirmation. Her recommendation is	
	d a member of the public with expertise in grant review. The
proposed scope of work is outlined in the attached me	mo from the mayor.
Defermely	
Referral:	
Sent to:	Date:
Recommendation: Refer to:	Meeting Date:
Assembly Action:	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 1/8/13	Tabled to Date:

# Memorandum

Haines Borough Office of the Mayor 103 Third Avenue S. Haines, Alaska 99827 sscott@haines.ak.us Voice (907) 766-2231 ext. 30

December 31, 2012

To: Assembly

Cc: Julie Cozzi, Borough Clerk; Mark Earnest, Borough Manager; Jila

Stuart, Borough Finance Director

From: Stephanie Scott, Mayor, Haines Borough

Subject: FY14 Non-Profit Funding Process

The sense that a different approach may be required to the allocation of public funds to activities and services sponsored by the non-profit organizations in Haines arose during the FY13 municipal budget cycle.

In the interim, a couple of ideas have been examined.

One idea was to make an arrangement with an organization expert in grant making. This was discussed in a follow-up Committee meeting with the Chilkat Valley Community Foundation subsequent to a public presentation of the Foundation's process during an Assembly meeting.

Another idea was introduced by the Tourism Advisory Board (TAB). The TAB, observing that quite a few non-profit sponsored activities are funded through Fund 23 (Tourism and Economic Development), asked if deciding about those appropriations could be handled through the Tourism Department Budget. (See the attached list of non-profit funding from Fund 23, FY07 to FY13). After exchanging some correspondence, the TAB held a special meeting December 18 on this topic. The Manager and the Finance Director attended, as did I.

Throughout these discussions, both the Manager and the Mayor emphasized that appropriation of funds was the role and responsibility of the elected officials and ought not to be delegated. However, some improvements can be made to the procedures and documents used to guide decision.

With respect to procedures: whereas FY12 decision-making was guided by an ad hoc committee appointed by the Mayor, FY13 decision-making was not. There seems to be consensus that the FY12 process was friendlier and easier to navigate.

Additionally, the application and scoring matrix may need adjustment. There may be elements we wish to add to the application that will assist in making priorities.

Finally, ideas have emerged regarding timing. One idea is to allocate a lump sum to non-profit funding during the budget hearings, and then to specifically allocate to individual entities at a later date, perhaps after legislative grants have been announced.

**Proposed Motion 1:** To work through the issues described above, I ask for your confirmation of an ad hoc FY14 Non-Profit Funding Committee composed of a member of the Assembly, the Borough Finance Director, the Mayor, and a member of the public with expertise in grant review; and tasked as follows:

- 1. review the application (proposing modifications if desired);
- 2. align scoring matrix with the application;
- 3. review the calendar for application and appropriation and consideration of recommendations for modification;
- 4. review applications using the approved scoring matrix and making a recommendation to the Assembly.

Tasks 1, 2, and 3, should be completed with recommendations before the Assembly at the January 22 meeting. The date of the completion of Task 4 will depend on the budget schedule established by the Manager.

**Proposed Motion 2**: Please confirm Assembly member Joanne Waterman as a member of the ad hoc committee; and community member Carol Tuynman. Carol writes, "I was a fellow with the National Endowment for the arts for three months and between that experience with panels, the American Academy in Rome panel and writing many proposals, I think I could bring useful experience to the committee and the process." Carol will be included via email during the month of January.

List of Non-Profit Funding Appropriated from Fund 23, FY13-FY07

FY13: (\$19,500) SE AK State Fair - \$14,000 King Salmon Derby - \$2,000 Chilkat Snowburners. Inc. - \$2,000 Haines Little League Association - \$1,500 FY12: (\$18,000) SE AK State Fair - \$14,000 King Salmon Derby - \$2,000 Chilkat Snowburners. Inc. - \$2,000

FY11: (\$102,500) SE AK State Fair (Harriet Hall Renovation) - \$87,500 SE AK State Fair - \$13,500 Chilkat Snowburners, Inc. - \$1,500

FY10: (\$10,500) SE AK State Fair - \$9,000 Chilkat Snowburners, Inc. - \$1,500

FY09: (\$10,500) SE AK State Fair - \$9,000 Chilkat Snowburners, Inc. - \$1,500FY08: (\$8,000) Chamber (beautification) - \$1,000 SE AK State Fair - \$6,000 Chilkat Snowburners - \$1,000

FY07: (\$4,000) Chamber (beautification) - \$1,000 Chilkoot Corridor Bear Monitor - \$2,500 Chilkat Snowburners - \$500

# Haines Borough Assembly Agenda Bill

Agenda Bill No.:  $\frac{13-212}{1/8/13}$ Assembly Meeting Date:  $\frac{1/8/13}{1}$ 

Business Item Description:	Attachments:
Subject:	Northern Economics' Recommendations Memo
	2. Port Study Report - submitted by Northern Economics
Port Development Plan Report and Recommendation	on 12/18/12
Originator: Borough Manager (Agenda Bill by Clerk's Office)	
Originating Department:	
Administration	
Date Submitted:	
12/31/12	
Full Title/Motion:	
	Consult width the Decommendations
Motion: Accept the Northern Economics Port Study R	Report with the Recommendations.
Administrative Recommendation:	
Administrative Recommendation:	
Fiscal Impact:	
-	unt Budgeted Appropriation Required
\$ \$	\$
Ψ	Ψ
Comprehensive Plan Consistency Revi	iew:
Comp Plan Policy Nos.:	Consistent:
Objective 3J, Page 109, numbers 3 & 4	Consistenti E res Ente
Page 126 last paragraph and top of Page 127	
Summary Statement:	
-	Committee (HPDSC), Northern Economics has completed a
	parison. The final report includes recommendations, and the
HPDSC is submitting this for assembly approval.	,
Referral:	
Sent to:	Date:
Recommendation: Refer to:	Meeting Date:
Assembly Action:	
Workshop Date(s):	Public Hearing Date(s):
Meeting Date(s): 1/8/13	Tabled to Date:
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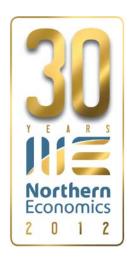
# Memorandum

Date: November 9, 2012

To: Darsie Culbeck, Haines Borough

From: Patrick Burden, Michael Fisher, and Alexus Bond of Northern Economics, Inc.

Recommendations for Port of Haines: Potential for Development Re:



The purpose of this memo is to provide the Haines Borough with a set of recommendations, drawn from Northern Economics' port development analysis, which suggests a path forward for the Port of Haines.

At this time the study team believes it would be premature to begin either expansion of existing facilities or construction of new port facilities at Haines. Most of the mines nearing production intend to export via Skagway; proximity and acceptance of industrial development—rather than facilities seem to be the primary factors driving this decision.

The study team instead recommends that Haines begin a process of information gathering and planning in anticipation of future port development. Actions we recommend include:

## Improve availability of information

Consolidate information about the Port of Haines and its facilities. Make this information available through the official borough website so that readers know the material is from a reliable source. At present, information about Haines' port and harbor facilities is limited; the information that is available is conflicting and spread across multiple, unaffiliated websites. Coordinate borough efforts to facilitate clear communication with potential port users.

# Provide baseline data where available and initiate steps to fill data gaps in baseline information

Begin gathering baseline data that a company would need to see when considering use of or expansion of a facility. These data include surveyed tidelands, drainage patterns, water quality reports, wave studies, marine mammal and fishery studies, listed environmental concerns such as endangered or protected species, etc. Environmental Impact Statements for similar port facilities may be beneficial for identifying data for the borough to gather. Identify an industrial corridor through Haines to the Lutak Dock and proceed through a public process to designate the corridor as such.

#### Develop conceptual plans for a deep draft dock and loader to handle ships with 36 feet of draft (Handymax)

Conceptual plans will give potential users an idea of the project that the borough envisions, as well as estimated costs and timelines for development. Questions to consider include whether the borough envisions a deep draft facility that will be developed as an extension of the Lutak dock (which would

present navigational issues for AMHS unless the AMHS dock were also extended outward), or if the deep draft facility should be built in another location.

# **Decide on ownership and operating options for facility**

The borough should give some thought to the operating agreement that it envisions. Would Haines want to own and operate the facility? Would it make more sense for the borough to retain ownership but allow for a private operator? Should the Alaska Industrial Development and Export Authority be involved with ownership of all or part of the facility?

# Create a financial model for an ore facility to determine feasibility and rates

The borough should increase its understanding of the costs involved with operating an oretransporting facility. We recommend calculating the likely debt repayments that would be required for construction and operation, and assessing what revenues would be sufficient to cover these costs.

# **Suggestions for Improving Relationships with Industry**

In addition to these preparations, Haines should continue to market its advantages and build relationships with industry players. More specifically:

## Proactively identify potential mining activity located in the western Yukon

A Yukon mine with an access road leading to the Klondike Highway is much less likely to move cargo through the Port of Haines. Once one company has built an access road, other developers will prefer to use the same access route so that costs of the road can be shared, rather than incurred independently. Haines will benefit from mining access road construction that extends west, to the Alaska Highway.

# Advertise Haines' advantages

Haines has available storage space, low traffic volumes, and open roads. In addition – and unlike Skagway – Haines does not have to balance demands of both industrial activity and a high passenger count. The borough should advertise these advantages to potential port users. Marketing material available electronically via the borough website and in hard-copy form at regional mining seminars and conferences could prove influential.

#### Involve private industry where appropriate

The need for development or expansion of marine facilities does not appear to be a significant obstacle if capital costs and permitting for expansion are reasonable and predictable. If Haines is prepared with the materials outlined above, it will be prepared to move forward with design and construction when user contracts are signed. The study team suggests that Haines work with potential users to finance upgrades and expansions as this will ensure that both parties are invested in the project's success. If Haines can demonstrate to the State of Alaska that the borough has a sustainable plan for the facility, the state is more likely to be receptive to requests for grant funding.

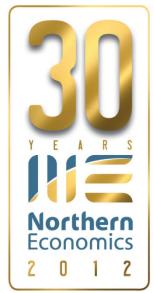
# Port of Haines: Potential for Development

Prepared for

# **Haines Borough**

# **December 2012**

## Prepared by



880 H Street, Suite 210 Anchorage, Alaska 99501 Phone: (907) 274-5600 Fax: (907) 274-5601 Email: mail@norecon.com

119 N Commercial Street, Suite 190 Bellingham, WA 98225 Phone: (360) 715-1808 Fax: (360) 715-3588

#### PROFESSIONAL CONSULTING SERVICES IN APPLIED ECONOMIC ANALYSIS

#### **Principals:**

Patrick Burden, M.S. — President Marcus L. Hartley, M.S. — Vice President Jonathan King, M.S.

#### **Consultants:**

Joel Ainsworth, B.A. Alejandra Palma, M.A. Alexus Bond, M.A. Bill Schenken, MBA Leah Cuyno, Ph.D. Don Schug, Ph.D. Katharine Wellman, Ph.D.

Cal Kerr, MBA

#### **Administrative Staff:**

Diane Steele — Office Manager Terri McCoy, B.A. Michelle Humphrey, B.S.



880 H Street, Suite 210 Anchorage, Alaska 99501 Phone: (907) 274-5600 Fax: (907) 274-5601 Email: mail@norecon.com

119 N Commercial Street, Suite 190 Bellingham, WA 98225 Phone: (360) 715-1808 Fax: (360) 715-3588

# **Preparers**

Team Member	Project Role	
Pat Burden	Project Director, Economist	
Mike Fisher	Project Manager	
Alexus Bond	Principal Author	
Joel Ainsworth	Project Analyst	
Gary Eaton	Staff Analyst	
Terri McCoy	Technical Editor	

**Please cite as:** Northern Economics, Inc. Port of Haines: Potential for Development. Prepared for Haines Borough. December 2012.

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# 1 Introduction

Haines is located between the Chilkoot and Chilkat rivers on Chilkoot Inlet, approximately 150 road miles south of Haines Junction and at the end of the Haines Highway (Figure 1). It has a maritime climate, with temperatures ranging from 10°F to 70°F, and is accessible by water, road, and air (DCCED 2012). The moderate climate, ice-free deep-water port, and year-round road access are advantageous, and support the borough's role as a local transportation hub.

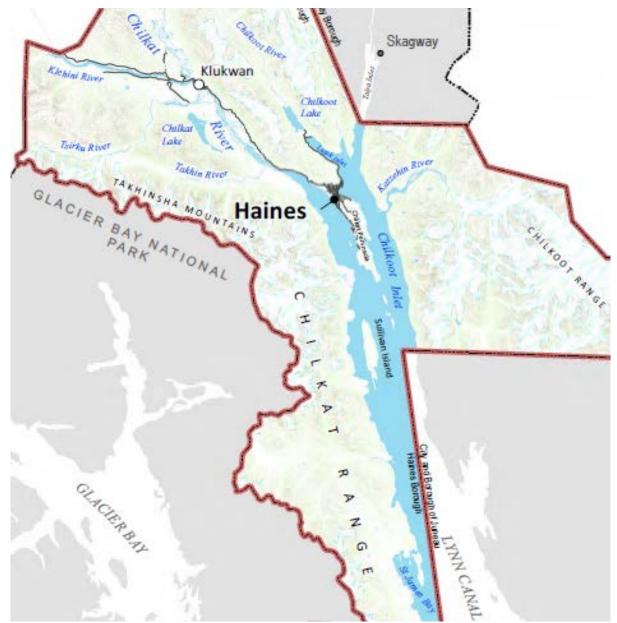


Figure 1. Haines Borough General Location Map

Source: Adapted from Haines Borough 2012a

Northern Economics ...

Going forward, the Haines Port Development Plan Steering Committee (the Committee) aims to expand the community's regional transportation role by targeting industries with activities and cargo for which the Port of Haines has a competitive advantage. This report is an overview of potential advantages and cargo volumes at Haines, and is intended to assist the Committee in making an informed decision as to whether they should proceed further in evaluation of port expansion or improvement.

The report is divided into three sections: facility comparison, transportation assessment, and market assessment. The facility comparison describes the features, current uses, and ownership of facilities in Haines, and compares them to facilities in Skagway and Valdez. The transportation assessment also compares Haines to its nearest port competitors, Skagway and Valdez, highlighting cost advantages and disadvantages of each resulting from distance and road restrictions. The market analysis looks at local, regional, and industry specific factors which could generate cargo volumes for the port of Haines.

# **2** Facility Comparison

# 2.1 Transportation Facilities in Haines

Haines has a system of transportation facilities that accommodate movement of passengers and freight via land, air, and water. As shown in Figure 2, the borough is connected to the state highway system, has a state-owned airport, and boasts a variety of waterfront facilities.

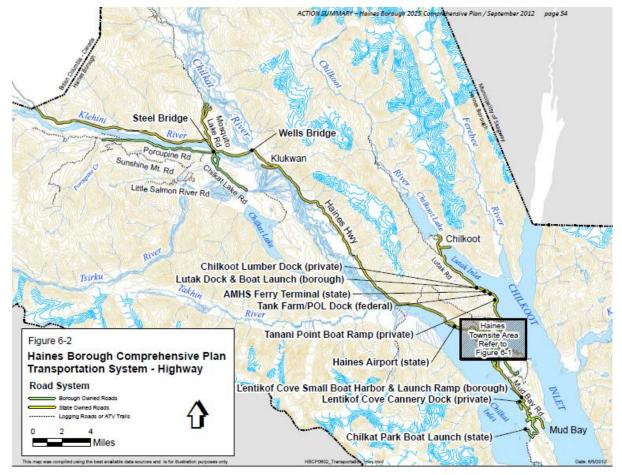


Figure 2. Haines Borough Transportation System

Source: Haines Borough 2012a

Figure 3 is an enhanced view of the facilities near the Haines townsite. The Portage Cove Small Boat Harbor, Chilkat Cruises Dock, and Port Chilkoot Dock<sup>1</sup> (with attached Lightering Dock) are within walking distance of downtown; this is convenient for the recreational and passenger traffic that they accommodate.

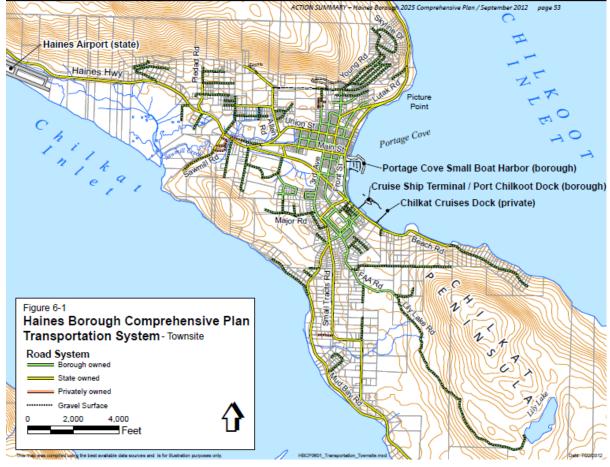


Figure 3. Haines Townsite Transportation System

Source: Haines Borough 2012a

# 2.1.1 Borough-Owned Port and Harbor Facilities

Haines Borough's marine facilities consist of the following:

- Lutak Dock and Boat Launch
- Portage Cove Small Boat Harbor
- Port Chilkoot Dock and its attached Lightering Dock
- Lentikof Cove Small Boat Harbor, launch ramp, and float
- Moorage float at Swanson Harbor

<sup>&</sup>lt;sup>1</sup> Also referred to as the Cruise Ship Terminal

All facilities, with the exception of the Letnikof Cove and Swanson Harbor facilities, are located in Portage Cove, on the eastern side of the city. Letnikof Cove is located southwest of town on Chilkat Inlet and is used primarily by commercial and sport fishing boats. Swanson Harbor is near Couverden in Lynn Canal (Haines Borough 2012a).

Three of Haines' marine assets have potential for handling increased industrial cargo volumes; Lutak Dock, Alaska Marine Highway System (AMHS) terminal, and Port Chilkoot Dock can all accommodate vessels with drafts deeper than 23 feet and lengths greater than 500 feet (Table 1).

**Table 1. Haines Marine Facilities** 

Name	Primary Use	Largest Berthing Space (feet)	Depth (feet)
Haines Municipal Dock (Lutak Dock)	Containerized, conventional, & roll-on/roll-off cargo; petroleum products & logs	750	24-33*
AMHS Ferry Terminal	Passenger and vehicular ferries	640	23-25
Port Chilkoot Dock	Petroleum products; mooring cruise vessels.	850	40-46
Portage Cove Harbor	Mooring commercial vessels and recreational craft	30	14
Letnikof Cove Float	Mooring commercial vessels and recreational craft	252	40

Note: \* Haines' Harbormaster has seen these depths reported in surveys.

Source: Marine Exchange of Alaska 2012a; Benner 2012

#### **AMHS Terminal and Lutak Dock**

The AMHS Terminal and Lutak Dock (Figure 4 and Figure 5) are located near the mouth of Lutak Inlet, roughly four miles north of Haines. Ownership of the docks shown in Figure 4 and Figure 6 are split; the borough owns 75 percent of the dock and the State of Alaska owns the remaining 25 percent (the portion used as the AMHS ferry terminal).

ALASKA MARINE HIGHWAY TERMINAL

Figure 4. Aerial Photo of the AMHS and Lutak Dock

Source: PND Engineers 2009



Figure 5. AMHS and Lutak Dock

Source: Northern Economics 2011

Lutak Dock is Haines' primary industrial facility; it is an ice-free dock that accommodates regularly scheduled shipments of fuel and freight for the borough and surrounding area (Haines Borough Undated).

Originally constructed in 1953 by the U.S. Army Corps of Engineers, Lutak Dock is a closed cell sheet pile dock with a concrete cap along the seaward perimeter of the cells (PND 2010). The dock offers four acres of storage space, 750 feet of berthing space, and has a depth ranging from 24 feet on the north end to 33 feet on the south end (Earnest 2012; Benner 2012). Equipment available at the dock includes one 1-ton and one 1/2-ton electric mast-and-boom, and two 35-ton diesel forklift trucks (Earnest 2012).

According to a marine facilities condition assessment undertaken by PND Engineers in 2010, Lutak Dock is in need of repairs, but the extent and nature of these repairs depend on the intended future use of the facility. Replacement of the exterior concrete cap and enhancement of vertical support features, in addition to regular anode inspections, are recommended if current facility operations are maintained (PND 2010). Operations with an increased load weights would likely require further repairs.

Lutak Dock currently operates year-round and is equipped to handle manual loading and unloading operations for bulk cargo, breakbulk cargo, roll-on roll-off cargo, petroleum products transshipment, and passenger operations (Haines Borough 2012a). The two primary users of Lutak Dock are Alaska Marine Lines (AML) and Delta Western. In 2011, the dock generated approximately \$335,000 in dockage and wharfage revenues (Haines Borough 2012c). Figure 6 shows a breakdown of these revenues.

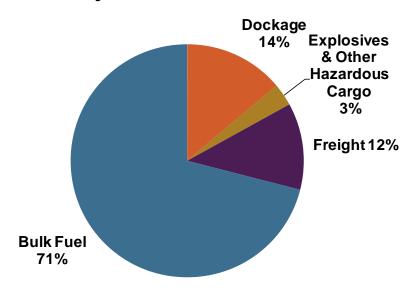


Figure 6. Lutak Dock Revenues, 2011

Source: Haines Borough 2012c

Fuel shipped through Haines is used locally and sold to Canadian wholesalers (Gray 2012). Fuel shipments accounted for 71 percent of Lutak Dock's revenues in 2011. Non-hazardous freight wharfage fees generated 12 percent of 2011 total revenue. Most freight that moves over the dock originates in Seattle and is destined for Haines businesses and residents; only a small portion is

transported to Anchorage via highway (Ganey 2012). Freight shipment volumes are seasonal, with increases in the summer months resulting from construction projects.

The primary transportation route to and from the facilities utilizes Lutak Road, which runs between the docks and downtown Haines. No bypass road currently exists, so traffic moving between the docks and the Haines Highway must then travel though a residential area via Union Street, which is two blocks north of and parallel to Main Street (Ganey 2012).

A mile or so north of Lutak Dock is the Chilkoot Lumber Company Dock, constructed in 1966. This land is zoned for commercial use, making it a viable option for a Lutak Dock expansion. Federal land begins approximately 1,200 feet south of Lutak Dock and covers the area of Tanani Point (Haines Borough 2012b). The land adjacent to the dock on the west side of Lutak Road is also owned by the borough and houses a tank farm owned by Delta Western Inc. with a capacity of 3.24 million gallons (Haines Borough 2012a).

#### **Port Chilkoot Dock**

Port Chilkoot Dock, also referred to as the Cruise Ship Terminal (Figure 7), is located in Portage Cove, northwest of the Chilkat Cruises Dock and south of Portage Cove Small Boat Harbor. It is owned and operated by the Haines Borough and is used primarily for the mooring of cruise vessels. Port Chilkoot Dock is a 900-foot long steel pier dock with berthing space of 850 feet and a depth of 40–46 feet (Alaska Marine Exchange 2012a). A 2010 steel pile inspection by PND Engineers showed that the pilings supporting the dock are in good condition; no significant rust or scale was noted, as well as very little section loss (PND 2010).



Figure 7. Port Chilkoot Dock

Source: Northern Economics 2011

According to the Haines Borough land ownership maps, Port Chilkoot Dock is primarily borough-owned with the northeastern-most tip extending into state-owned territory. As of late, the borough has put forth several efforts to further develop the facility for cruise passenger use. Recent improvements include construction of public restrooms, additional parking, and pedestrian improvements (Haines Borough 2012a).

# 2.1.2 Available Private Commercial Facilities

# **Chilkoot Lumber Dock**

Located north of Lutak Dock is the Chilkoot Lumber Dock. The dock is privately owned and currently available for sale or lease (Beck 2012). Chilkoot Lumber Dock is a T-shaped facility that extends 180 feet from the shore to the dock face. The dock face is about 560 feet long and 200 feet wide (Figure 8). At Mean Lower Low Water, depth is approximately 35 feet at the eastern end of the dock and more than 60 feet at the western end. While the facility is large enough to accommodate a large ship, the dock's creosote pilings substructure and decking are in need of renovation before a large ship can berth (Beck 2012).



Figure 8. Chilkoot Lumber Dock, Aerial Image

Source: McClane 2007. Used with permission.

In addition to the dock itself, there are approximately 25 acres of uplands available at the former sawmill site (Haines Borough 2012a). The Chilkoot Lumber facility was used for lumber through the 1990s, and has since been used sporadically for log storage, gravel shipments, and fish processing (Beck 2012). Figure 9 shows the dock in its current state; the blue building on the right side of the image is a fish processing facility.



Figure 9. Chilkoot Lumber Dock

Source: Northern Economics 2011

Due to past industrial use of the uplands, facility owners have worked with the Department of Environmental Conservation to manage soil contaminated with hydrocarbons from old machinery. According to property representatives, the clean-up is nearly complete and there is a tentative work plan to finish the environmental work by encapsulating the remaining contaminants so that no institutional controls are left on the property (Beck 2012).

The Chilkoot Lumber Dock site has been cited by Yukon studies as being a potential location of ore short-term transshipment (KPMG 2005). In the past, plans for construction of port facilities and a rail line to Chilkoot Lumber Dock had an estimated a cost of approximately \$6.7 billion (KPMG 2005).

#### **Chilkat Cruises Dock**

Chilkat Cruises Dock (Figure 10) is a privately-owned facility located on the southwest shore of Portage Cove. The facility has been for sale for several years and an offer is currently pending. At this time no further details regarding the potential sale are available (Strong 2012). The dock offers approximately 220 feet of berthing space and 30 feet of water depth (Marine Exchange of Alaska 2012a).



Figure 10. Chilkat Cruises Dock

Source: Northern Economics 2011

# 2.1.3 Other Transportation Facilities

#### **Airport**

Haines Airport, a state-owned facility, has a 4,000-foot runway and accommodates regularly scheduled air service for Juneau and other Southeast hubs (Haines Borough 2012a). While the airport currently services an annual volume of 12,000 operations per year, it has the capacity to handle up to 230,000 aircraft landings or takeoffs per year. Its full-length parallel taxiway and system of exit and entrance taxiways allow for simultaneous operation (Alaska Department of Transportation and Public Facilities [ADOT&PF] Undated).

The airport's apron and taxiways are in need of repair due to drainage failures and frost heaving. A major apron reconstruction project is expected to go to bid in fiscal year 2014 (ADOT&PF Undated).

#### **Lutak Road Mile 4.75 and Mile 5**

Two privately owned parcels of waterfront property in close proximity to both the AMHS Terminal/Lutak Dock and the Chilkoot Lumber Dock are currently for sale. The first, listed as Lutak Road Mile 4.75, consists of 7.11 acres of vacant land divided into 5.98 acres of uplands and 1.13

acres of tidelands. The second parcel, listed as Lutak Road Mile 5, consists of 15.9 acres of fee simple land adjoining the Chilkoot Lumber Dock.

## Petroleum-Oil-Lubricant Dock and Tank Farm

To the south of the AMHS ferry terminal is the Petroleum-Oil-Lubricant dock and former Army Fuel Tank Farm (Figure 11). The dock and tank farm are remnants of the Haines-Fairbanks Pipeline, which the U.S. Army owned and operated from 1955 to 1973. During this time tankers would deliver refined fuel to Haines, which would then be pumped via an eight-inch diameter pipeline to military bases in Fairbanks (Hollinger 2003).



Figure 11. Petroleum-Oil-Lubricant Dock

Source: Northern Economics 2011

The Haines-Fairbanks pipeline was decommissioned in the 1970s, but the dock and tank farm associated with the pipeline still remain (Hollinger 2003). Neither the dock nor the tank farm is currently in use (Culbeck 2012).

The tank farm has been suggested as a site for bulk shipments of coal or iron ore (KPMG 2005). In 2009, Congress authorized conveyance of the tank farm to the Chilkoot Indian Association for the purpose of developing a Deep Sea Port and for other industrial and commercial development purposes (Haines Borough 2012a).

# 2.2 Ports of Haines, Skagway, and Valdez

The Port of Skagway is a combination of well-developed industrial facilities which cater to cruise vessels, fuel and freight shipments, and ore and concentrates from regional mines. Table 2 summarizes the facilities available at the Port of Skagway.

**Table 2. Port of Skagway Facility Description** 

Name	Primary Use	Berthing Space (ft.)	Depth (ft.)	Mechanical Handling	Storage (sq ft)
White Pass Railroad Dock	Receipt and shipment of petroleum products; mooring cruise vessels.	1,850	36-70	Stevedore rental equipment is available as required.	80,000
Broadway Dock	Mooring Cruise Vessels	800	35	None	
Ore Dock and Skagway Ore Terminal	Receipt and shipment of petroleum products; mooring cruise vessels.	1,200	45-50	64,000 lb. GVW vehicle ramp, 1,000 ton/hour loading spout	120,000
AML Barge Dock	Receipt and shipment of conventional, containerized, and roll-on/roll-off general cargo.	411	40	100 ton GVW pass- pass capabilities with two large forklifts of 30 and 45 ton lifting capacity	102,000
Ferry/City Dock	Containerized & roll- on/roll-off cargo; landing for passenger & vehicular ferry; fueling vessels	385	25	2 ton harbor crane	120,000
Small Boat Harbor	Stalls for pleasure craft, fishing vessels and tugs	40	15	None	

Source: Municipality of Skagway & Marine Exchange of Alaska, & U.S. Army Corps of Engineers

In contrast to the Port of Skagway, the Port of Valdez has only three major facilities (not including the privately operated crude and fuel facilities at Alyeska). As shown in Table 3, the Valdez Container Terminal is the largest of the three.

**Table 3. Port of Valdez Facility Description** 

Name	Primary Use	Largest Berthing Space (ft.)	Depth (ft.)	Mechanical Handling	Storage
Valdez Container Terminal	General and Containerized Cargo	1,200	50	One 150-ton crane, three 100-ton cranes, and forklifts	525,000-bushel- capacity grain elevator with nine concrete silos
Municipal Dock	mooring of vessels	600	26	One 1 1/2-ton electric- hydraulic derrick; five 2-ton forklift trucks	
Petroleum Dock	Shipment of petroleum products	275	30-36	None	Storage Tanks: 176,225 bbl

Source: City of Valdez and Marine Exchange of Alaska, & U.S. Army Corps of Engineers

Table 4 summarizes the facilities and equipment at the docks most likely to accommodate mining shipments at the Port of Haines, Skagway, and Valdez. As shown in the table, Lutak and Port Chilkoot Docks have the least berthing space and shallowest depths when compared to facilities at the other two ports.

**Table 4. Haines, Skagway and Valdez Facility Comparison** 

Facility Name	Dock Name	Primary Use	Total Berthing Space (feet)	Depth (feet)
	Lutak Dock	Containerized, conventional, and roll-on/roll-off cargo; petroleum products; and logs	750	24-33
Port of Haines	Chilkoot Lumber Dock	Log storage, gravel shipments, and fish processing	560	35-60
	Port Chilkoot Dock	Mooring cruise vessels	850	40-46
Port of Skagway	Ore Dock	Receipt and shipment of petroleum products and mined materials; mooring cruise vessels.	1,200	40-50
Port of Valdez	Valdez Container Terminal	General and Containerized Cargo	1,200	50

Source: Marine Exchange of Alaska 2012a & U.S. Army Corps of Engineers

Lutak Dock, used for petroleum and freight transfer, has pipelines which extend to inland storage tanks, as well as four acres of open storage (Marine Exchange of Alaska 2012a). Chilkoot Lumber Dock, used for log storage, gravel shipments, and fish processing, has 25-acres of uplands available at the former sawmill site (Haines Borough 2012a and Beck 2012).

At Skagway, the Ore Dock has a 64,000-pound (29,000 kg) GVW vehicle ramp, 1,000-ton (907 tonnes)-per-hour loading spout, and dockside fuel headers. The terminal also offers 120,000 square feet of open storage adjacent to the Ore Dock (Skagway Development Corporation 2012). According to a Prolog Canada report (undated), the Ore Dock currently exports 85,000 tonnes per year, though it has historically exported 600,000 tonnes annually and could potentially be expanded to handle in excess of 1 million tonnes annually. While the facility could conceivably handle more than 12 times the current quantity of ore exports, if several large Yukon mines were to open it could reach capacity, which would lead to increased demand for facilities in Haines as the next nearest port.

The Valdez Container Terminal offers 21 acres of open storage, as well as cranes (100–150 ton) and grain silos (Marine Exchange of Alaska 2012b).

# 3 Transportation Assessment

In this section, we assess Haines's transportation advantages and disadvantages relative to its geographic competitors, the Port of Valdez and the Port of Skagway. Estimates of surface transportation costs resulting from the use of the Port of Haines relative to its competitors are made using distance and per-unit cost estimates sourced from both publicly-available resources and quotes from local service providers. Additionally, the section provides a description of each port and a comparison of major attributes, furthering the assessment of Haines' strengths and weaknesses relative to its regional competitors.

# 3.1 Highway Distance Advantage

Yukon is home to several mining prospects in various stages of development. Figure 12 illustrates those mines which Government of Yukon believes will be developed within the next five to ten years (Stephens 2012). Each of the mines is located in Yukon and is within driving distance to Haines via seasonal or year-round access roads.

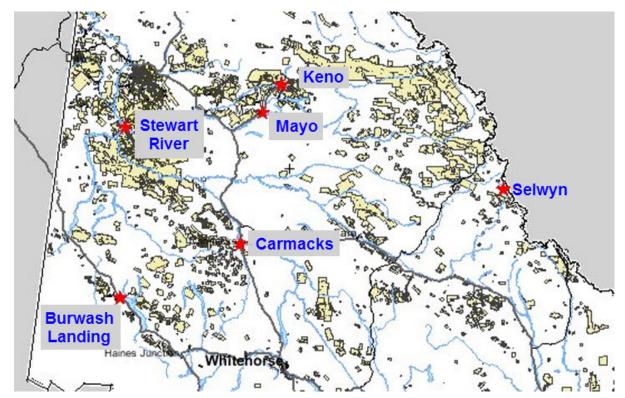


Figure 12. Mining Development Prospects in Relation to Known Mineral Deposits

Source: Northern Economics, Inc. adapted from Government of Yukon, 2012

Haines, Valdez, and Skagway are the only Alaskan ports accessible by road that are within a reasonable driving distance of Yukon. Haines is located between Valdez to the east and Skagway to the west. The Port of Haines competes for transportation advantage with both (Figure 13).

Valdez

Haines And Skagway

Figure 13. Map of Haines Relative to Skagway and Valdez

Source: Google Earth 2012

Beginning at the community of Tok, the study team compared distances between various origin points along the Alaska Highway and both Haines and Valdez. Table 5 summarizes the results, with shaded cells indicating the shorter of the two distances. The last column shows the travel cost savings (or expenses) incurred by using Haines rather than Valdez.

Table 5. Transportation Distance in Miles for Communities on the Alaska Highway, Haines versus Valdez

	Distance to Des	stination (Miles)	Difference in	Travel Cost	
Origin	Haines	Valdez	Miles	Savings (\$)	
Tok	442	255	187	-765	
Tetlin Junction	426	267	159	-650	
Northway Junction	400	310	90	-367	
Beaver Creek	340	364	23	95	

Note: Assumes operating cost of \$4.08 per mile

Source: Microsoft Trips and Streets (2011), Freight Metrics 2012 and Northern Economics, Inc. analysis

The point along the Alaska Highway where Haines has a transportation cost advantage over Valdez is at Beaver Creek. Cargo (such as mining material) which begins traveling along the Alaska Highway at Beaver Creek and south will likely access tidewater in Haines. Cargo which comes onto the highway north of Beaver Creek is likely to access tidewater in Valdez. This transition point is reinforced by the U.S-Canadian border, which is located just north of Beaver Creek. In addition to the mileage

calculation, shipments originating in Alaska are less likely to cross the border due to additional administrative burden of moving between countries when a suitable export port is available entirely within the state.

Table 6 is similar to Table 5, but shows the relative distances between Haines and Skagway for communities along the Alaska Highway and the Klondike Highway. The transportation savings between Haines and Skagway is more apparent based on route. For all points along the Klondike Highway, Skagway has the cost advantage. For all points along the Alaska Highway west of Whitehorse, Haines has the cost advantage.

Table 6. Transportation Distance in Miles, Haines vs. Skagway

	Distance to Des	stination (Miles)	Difference in	Travel Cost	
Origin	Haines	Skagway	Miles	Savings (\$)	
Klondike Highway					
Keno	513	395	118	-483	
Mayo	476	358	118	-483	
Carmacks	337	219	118	-483	
Whitehorse	244	109	135	-552	
Alaska Highway					
Koidern	295	351	56	229	
Burwash Landing	224	280	56	229	
Destruction Bay	213	269	56	229	
Haines Junction	148	204	56	229	

Note: Assumes operating cost of \$4.08 per mile

Source: Microsoft Trips and Streets (2011), Freight Metrics 2012 and Northern Economics, Inc. analysis

With regard to ore shipments, the difference in relative cost means that mining developments occurring in Yukon which have access roads connecting to the Klondike Highway are likely to make Skagway their port of choice as the distance of travel is significantly shorter than it would be to travel to Haines. Conversely, mining developments with access roads connecting to the Alaska Highway north of Haines Junction are more likely to make Haines their port of choice.

The results shown in both Table 5 and Table 6 are summarized in Figure 14. The black line marks the Alaska Highway and illustrates the route and locations which have a transportation cost advantage by using Haines.

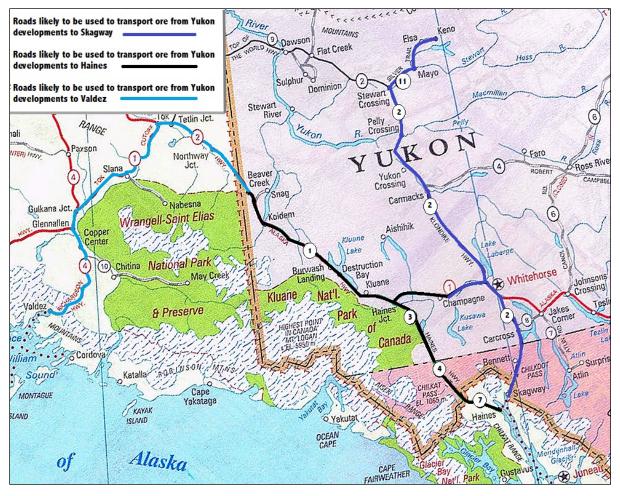


Figure 14. Transportation Routes from Selected Points to Valdez, Haines, and Skagway<sup>2</sup>

Source: Northern Economics, Inc. adapted from AAA 2012

# 3.2 Load Limits

In addition to distance, road load-bearing capacity could influence a mine developer's decision of whether to export ore and concentrates through Skagway or Haines. According to a recent draft of a forthcoming ADOT&PF report on mine-related traffic to ports in Southeast Alaska, "In 1986, Alaska upgraded its portion of the Klondike Highway to accommodate the year-round movement of mineral concentrates from mines in Yukon and British Columbia" (Dye Management Group 2012). The road accommodates oversize and overweight loads up to 170,000 lbs gross vehicle weight (GVW), the maximum allowed on the Canadian portions of the highway (Dye Management Group 2012).

<sup>&</sup>lt;sup>2</sup> Please note that this analysis takes into account road distance only. When the study team compares routes, it traditionally takes into account the speed of travel on particular roads. However, in this instance, the limited road network shown in Figure 2 does not offer road users reasonable alternatives, making travel time an insignificant variable when making a port choice.

Vehicles with overweight permits on Alaska roads are not limited to a specific GVW, however, they must comply with ADOT&PF permitting and bridge formula limit requirements (Cargo Agents Network 2012). ADOT&PF is currently designing a highway reconstruction project which will impact the Haines Highway and regional bridges. Construction is tentatively planned to begin in 2014, though delays due to environmental permitting are expected. Improvements include bridge expansions and enlargement of paved shoulders from two feet to six feet in width (ADOT&PF 2012). The improvements are not expected to increase legal load limits. While Haines might benefit from an increased weight limit on its roads, it should be noted that the state or borough would need to identify funds available for the upgrade. As noted by ADOT&PF (2012), "The Federal Highway Administration funds highway construction to meet legal load requirements; any cost for construction in excess of legal load requirements must be borne by the state and/or the user." In Skagway, the additional road construction costs were funded through permit surcharges levied on overweight and oversize cargos. At this time the study team is not aware of sources of consistent and frequent demand for cargo transportation through the Port of Haines that cannot comply with current ADOT&PF road restrictions. With few permits issued, the state would need to seek other sources of funding for the upgrades.

# 3.3 Bridge Restrictions

During interviews with local businesses and mining representatives, the study team was told that while Skagway's road has a weight-bearing advantage relative to the Haines Highway, Haines is preferable for moving large pieces of equipment. It was implied that the bridges outside of Haines are capable of handling equipment larger than those out of Skagway. As shown in Table 7, however, the available data regarding bridges outside of both communities show otherwise. The Chilkat River Bridge is the current<sup>3</sup> chokepoint on the Haines Highway as its width is only 24 feet. While the Skagway Ferry Terminal Bridge is narrower, at 17 feet, most cargo shipments in and out of Skagway do not need to cross this bridge. It is likely that the Haines Highway is preferable for moving equipment not because it has larger bridges, but rather because it has a lower highway grade (Dischner Undated).

Table 7. Bridge Comparison, Haines and Skagway

Route	Bridge Name	CDS Mile Point	Historic Mile Post	Bridge Number	Length (ft)	Width (ft)
Route to	Chilkat River	23.2	23.8	0742	504	24.0
Haines:	Muncaster Creek	28.3	28.9	0743	60	36.0
Canadian Boarder to	Little Boulder Creek	31.0	31.6	0744	80	36.4
Haines Highway	Big Boulder Creek	33.2	33.8	0745	120	36.1
Route to Skagway:	Skagway Ferry Terminal	0.0	0.0	0805	175	17.0
Canadian Boarder to	Skagway River	1.8	1.2	0308	482	28.0
(U.S.) Klondike Highway	Captain Wm Moore Creek	11.2	10.4	1304	300	28.0

Source: ADOT&PF 2009

<sup>&</sup>lt;sup>3</sup> The bridge is expected to be enlarged as part of the 2010-2013 State Transportation Improvement Program.

Preference for Haines may increase with upcoming bridge improvements. ADOT&PF is currently designing an expansion of the Chilkat River Bridge; the improvements will increase load capacity by 1/3, and will expand the bridge width from 24 feet to 36 feet (ADOT&PF 2012).

# 3.4 Marine Cost Advantage

Haines and Skagway are both located on Chilkoot Inlet, approximately 80 and 90 miles northeast of Juneau, respectively. Valdez is located on the north shore of Port Valdez in the Prince William Sound, approximately 305 road miles east of Anchorage. All three ports are ice-free, deep-water ports that are accessible by land, sea, and air year-round (DCCED 2012).

Puget Sound has always been the primary gateway to Alaska, and the Port of Seattle is a frequent origin and destination for cargo moving through Haines, Skagway, and Valdez. Seattle is a major transshipment point for Alaska goods such as fish, petroleum products, and other cargo, which then continue to other domestic and international markets. Likewise, many goods moved to Alaska via barge originate in Seattle. By dollar value, about three-fifths of goods reach Alaska by water and two-fifths by air or truck via the Alaska Highway. By weight, 97 percent of the goods go by water (Chase 2004).

Figure 15 illustrates the nautical distances between Seattle and the three ports of focus within the study area.



Figure 15 Distances of Valdez, Haines, and Skagway to Seattle, Washington

Source: Google Maps 2012. NOAA 2009. Distances between United States Ports.

Haines's nautical proximity to Seattle relative to Valdez and Haines is shown in Table 7. Based on mileage, the Port of Haines has an advantage over both the Ports of Skagway and Valdez. Assuming a flat per-mile cost per container rate to each destination, Haines has the lowest cost among its competitors for freight moving to or from Seattle.

Based on current rates for shipping goods from Seattle to Southeast Alaska, shippers yield a savings of \$0.08 per pound-mile by shipping to Haines rather than Skagway, and \$0.07 per pound-mile for shipping to Haines rather than Valdez (Table 7).

Table 7. Cost Savings among Haines, Skagway, and Valdez for Barge Cargo Originating in Seattle

	Community				
Category	Haines	Skagway	Valdez		
Distance to Seattle (NM)	950	962	1,234		
Shipping Cost from Seattle (\$/per lb)	0.49	0.57	0.56		
Shipping Cost from Seattle (\$/per lb per NM)	0.00052	0.00060	0.00045		
Cost Savings of Shipping to Haines (\$ per lb/NM)	N/A	0.08	0.07		

Note: NM: Nautical Mile

Source: NOAA 2012; Lynden Transport 2012

# 3.4.1 Cost of Transporting Ore to Asian Ports of Call

Asian markets are another export destination for goods transported through Haines, Skagway, and Valdez. Goods such as fish and other seafood products, as well as petroleum products and non-ferrous metals, are transported to Asia for use in other intermediate goods and manufactured products. Figure 16 below shows the distance from Haines to selected ports in Asia.

Anchorage

Anchorage

Qingdao, China
4,565 (NM)

Busan, South Korea
4,092 (NM)

Kobe, Japan 3,997 (NM)

Figure 16 Distances of Haines to Select Asian Ports

Source: Google Maps 2012. National Geospatial Intelligence Agency, World Ports 2012.

Based on mileage, the Port of Haines maintains a slight cost advantage over Skagway when moving cargo westbound, toward Asian markets.

Assuming a flat transportation rate of \$0.12 per container-mile, a shipper could save almost \$38.40 per container shipped from Valdez, rather than Skagway, destined for the Chinese Coast. Table 8 illustrates the potential cost savings between Haines, Skagway, and Valdez for selected ports in the Asian market. In this scenario Valdez is always the port of preference as it is the westernmost of the three ports.

Table 8. Cost Savings between Haines, Skagway, and Valdez and Selected Asian Ports

	Distance to Destination (Nautical Miles)				
Export Destination	Haines	Skagway	Valdez		
Qingdao, China	4,565	4,577	4,245		
Kobe, Japan	3,997	4,009	3,677		
Busan, Korea (South)	4,092	4,104	3,772		
Cost Savings Relative to the Cost of using Haines (\$/container)	N/A	1.44	-38.40		

Note: Assumes operating cost of \$0.12 per container-mile.

Source: National Geospatial Intelligence Agency, World Ports 2012.

Operation of Panamax (4,000 TEU.<sup>4</sup>), Post-Panamax (6,000 TEU) and Post-Panamax Plus (10,000 TEU) is estimated to be between \$9 million and \$15 million dollars a year (Rodrigue 2012). Savings of using Haines over Skagway for a fully loaded Post-Panamax Plus would be approximately \$14,400, or less than 1 percent of total annual operating costs, assuming a vessel loaded all 10,000 TEUs in Haines.

Savings of using Valdez over either Skagway or Haines are more significant.

# 3.5 Port Fees

In addition to cost differences generated by distance, each of the ports within the study region levies unique charges and fees. Table 9 compares the common charges at each of the facilities: dockage, wharfage, and water. While dockage and water rates in Haines are comparable to rates charged in Skagway and Valdez, wharfage rates in Haines are much higher due to rate increases made as a result of a life cycle cost analysis conducted by Northern Economics in late 2010.

Table 9. Haines, Skagway and Valdez Rate Comparison

Current Rates	Skagway	Haines	Valdez
Dockage (per ft.)	\$2.80 - \$4.00	\$2.75	\$0.66 - \$3.14
Freight Wharfage (per 2,000 lbs)	\$2.00	\$3.85	\$3.50
Fuel Wharfage (per bbl)	\$0.26	\$0.84	\$0.10
Water	\$4.84 per 1,000 gal	\$50 + \$4 per 1,000 gal	\$45 + \$3 per 1,000 gal

Source: Port of Haines, Port of Valdez, White Pass & Yukon Route, & Maritime Exchange of Alaska

<sup>&</sup>lt;sup>4</sup> TEU=Twenty-foot equivalent unit

If a mining company were to begin transporting large volumes of equipment, fuel, or ore concentrates through Haines, the study team expects that a preferential rate agreement would be negotiated with the borough and other changes could be made to port fees as a result of increased use and any necessary upgrades. In anticipation of this possibility, the borough may want to undertake a preliminary assessment of the operational and administrative costs that it would incur for providing such service, and how the fees derived from these costs would compare to facilities in Skagway. It would be advantageous for the borough to know the levels of fees that would be required to recover costs at various output volumes when speaking with industry representatives.

# 4 Market Assessment

This analysis looks at three separate markets in which growth of services and cargo for the Port of Haines could be generated: the local market, the hinterlands, and the mining industry. For the purpose of this analysis, the local market consists of the borough population and local businesses; growth in this market would stem from population growth and economic activity within the borough. Similarly, the hinterland is comprised of communities inland of Haines whose populations could influence port volumes through growth in demand.

The mining industry stands apart as a third market; unlike the local and hinterland markets, demand for transportation services by mining companies will not be tied to local economic conditions or population growth. Development within the mining industry depends on factors such as world market values of mined materials, the economic feasibility of accessing individual deposits, and permitting restrictions. This analysis looks at potential increases in cargo generated by both required materials and equipment for development (incoming cargo) and volumes of ores and concentrates (export cargo volumes).

# 4.1 Local Market

Through interviews with port users in Haines, the study team concludes that the three major sources of port activity are demand by the local population (fuel and freight), activity generated by local businesses (bulk fuel sales, movement of construction equipment, etc.) and visitor volumes (ferry and cruise vessel passengers). In this section, we discuss each of these factors, and assess expectations for growth.

# 4.1.1 Population

The population of Haines increased over the last decade, rising by thirteen percent from a low of 2,300 in 2005 (Figure 17). According to the Alaska Department of Labor & Workforce Development (ADOLWD), 2011 estimates place the borough's resident population at 2,620. The population fluctuates seasonally, however, and can increase by several hundred residents during the tourism season (Haines Alaska Community Website 2012).

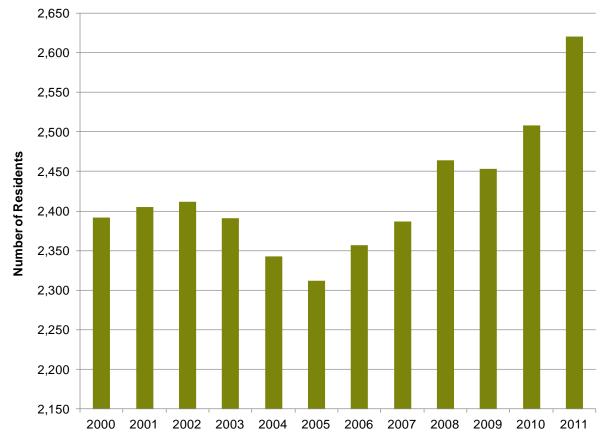


Figure 17. Population of Haines Borough, 2000–2011

Source: ADOLWD 2012b

At first glance, it would seem that an increase in cargo volumes could have been expected given the strong trend in population growth over the last five years. The study team believes that the national recession and lack of job opportunities in the Lower 48 have resulted in more persons staying in the Southeast rather than migrating to the Lower 48. However, the growth in population in Haines contrasts with trends seen in the rest of Southeast Alaska (Figure 18) and, according to ADOLWD population forecasts, is not expected to continue.

Haines Borough accounting staff provided cargo invoices for 2011 and 2012. Due to the limited data available, the study team analyzed cargo volume changes versus population using AMHS cargo activity as a proxy for Haines. The results were inconclusive in tying population changes to cargo volume changes. Additional cargo volume data have been requested from Haines Borough accounting staff. When that information is available, the study team will conduct this analysis using Haines Borough data in an attempt to quantify the relationship between population and cargo volumes.

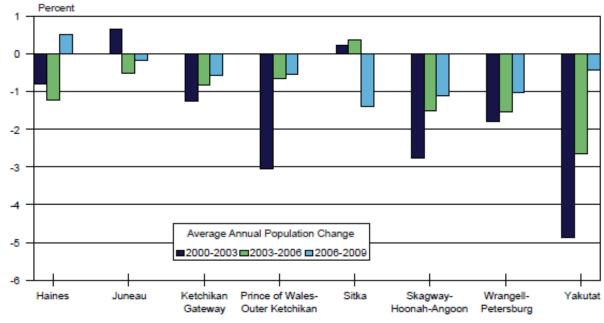


Figure 18. Population Change in Southeast Alaska

Source: Mercer and Abrahamson 2011

According to ADOLWD, losses from out-migration are expected for Haines, and over the state's population projection period (which extends to 2034) the borough's population is expected to decline by nearly 38 percent due to particularly low birth rates and the highest median age in the state. ADOLWD concludes that growth in population for the region would require a sharp rise in inmigration (Mercer and Abrahamson 2011). The recently published Haines Borough 2025 Comprehensive Plan disputes the validity of the ADOLWD forecast numbers, citing inaccuracies in birth estimates and base population numbers. The borough instead foresees moderate population growth of between .85 and .47 percent per year, which suggests that Haines Borough will gain an additional 248 to 463 people by 2030.

Assuming the high case for population growth, the borough's port infrastructure will need to meet the needs of 3,083 residents by 2030. This is an increase of 17.6 percent over the current population. Interviews with the port's primary customers (AML and Delta Western) indicate that cargo operations are not at full capacity and, in the case of fuel volumes, are significantly below where they have been in previous years. Based on these findings, the study team anticipates moderate cargo increases as a result of population growth in and around Haines, but believes that infrastructure currently in place is adequate for meeting this increased demand.

# 4.1.2 Local Industry

Despite its relatively small size, Haines has a diverse economy. Most employment revolves around Trade, Transportation and Utilities; Government; Leisure and Hospitality; and Health Care; which collectively accounted for 75 percent of local wage and salary employment in 2011 (ADOLWD 2012). Figure 19 shows the relative share of the local workforce in the major industries of the area. Many of the local jobs in Haines are seasonal and the unemployment rate can vary greatly throughout the year, especially in the tourism and construction industries.

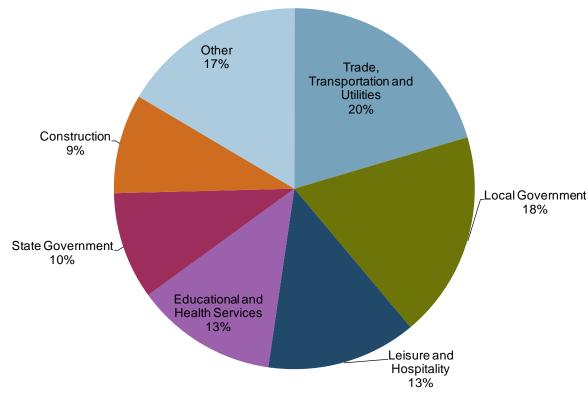


Figure 19. Resident Workers by Industry, 2011

Note: federal government, military, self-employed, and "non-resident" seafood processing workers are not included.

Source: ADOLWD, 2012b

Of the economic sectors outlined above, few are expected to lead to significant increases in cargo volumes. Education and Health Services, for example, is a growing sector in the borough, and currently represents 12.7 percent of the local workforce, nearly a 2 percent increase over the last five years (ADOLWD 2012). Haines has an older population relative to the median age in Alaska; as the population continues to age, demand for health services will likely continue to grow, increasing opportunities in the industry (Wilkenson 2010). However, this industry is service-based and, despite rapid growth, is unlikely to generate port cargo volumes.

During interviews with the port's current customers, the study team was informed that regional fuel sales and construction volumes in Southeast Alaska in part determine the volume of cargo moved through Haines. Delta Western supplies both local users and Canadian wholesalers with a variety of petroleum products. Assuming no unforeseen shifts take place in the current market, Delta Western does not expect to see significant changes in its fuel transportation volumes through Haines (Gray 2012).

AML's representatives' expectations were similar to those of Delta Western—they expect cargo volumes to remain at the status quo barring any significant market shifts. Three-fourths of the cargo AML transports through Haines is incoming; local customers include grocers, lumber yards, and construction companies (Ganey 2012). AML could see an increase in cargo if any local construction projects begin, or if construction firms based in Haines take on new construction projects in Southeast Alaska. Increases in mining volumes in Yukon will have a more direct impact in Skagway; AML is

currently moving cargo for Yukon mines via their sister company, Canadian Lynden Transport, based in Skagway (Ganey 2012).

# 4.1.3 Cruise Vessel and Ferry Passenger Volumes

Haines is a popular Southeast Alaska tourist destination, as evidenced by the 13 percent of residents employed in Leisure and Hospitality. Each year tourists arrive by ferry, cruise vessel, and automobile, entering town through the Port Chilkoot Dock, AMHS dock or the Haines Highway. The volume of tourists is so large that the number of visitors can sometimes exceed the number of residents during the summer months (Cemany 2005). Though highly seasonal, the large influx of visitors each year brings wages and jobs that help bolster the local economy.

Figure 20 summarizes the number of ferry passengers that both embarked from and disembarked at Haines between 2005 and 2011. For all seven of the years shown, passenger volumes were between 60,000 and 70,000 people a year.

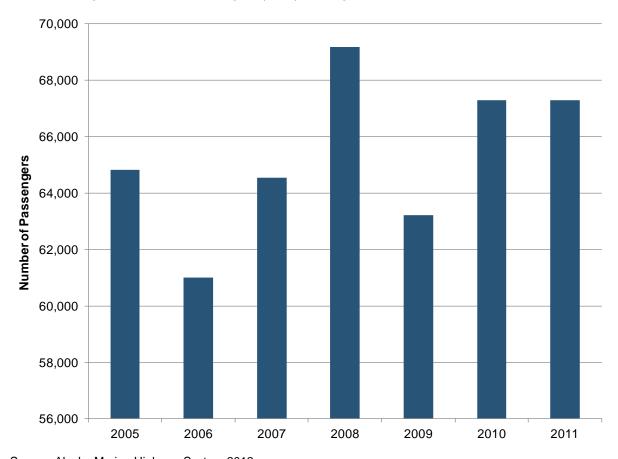


Figure 20. Alaska Marine Highway Ferry Passengers to and from Haines, 2006-2011

Source: Alaska Marine Highway System 2012

Figure 21 summarizes the historic volumes of cruise vessel visitors to Haines. Assuming that all cruise vessels have moored at the Port Chilkoot Dock, the level and frequency of use of the facility has declined sharply since the mid-1990s. As shown in Figure 21, the number of cruise vessel passengers visiting Haines dropped significantly in the early 2000s. Passenger visits were at a high of almost

200,000 passengers in 2000, and now average less than 50,000 annually. The drop in 2001 was a result of several factors, including the introduction of new sales and bed taxes in Haines, as well as a proposed measure to cap cruise ship arrivals (Cerveny 2005).

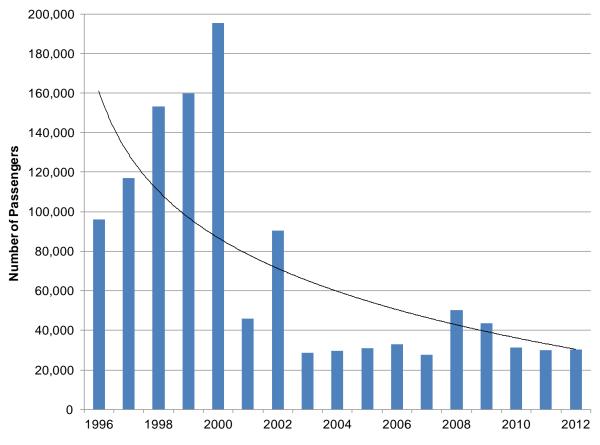


Figure 21. Cruise Vessel Passengers to Haines, 1996-2011

Note: 2011 and 2012 are estimated using cruise vessel schedules and vessel passenger capacity. Source: Bales 2010; State of Alaska Department of Commerce and Community Development 2010; Cruise Line Association of Alaska 2012

As noted previously, in 2012 the Alaska Legislature approved a grant of \$2.3 million to continue upgrades at the dock which will replace the deteriorating pile-supported timbers (Alaska Legislature 2012). To the study team's knowledge, the upgrades are not expected to increase the number of cruise vessel calls in Haines.

# 4.2 Hinterlands

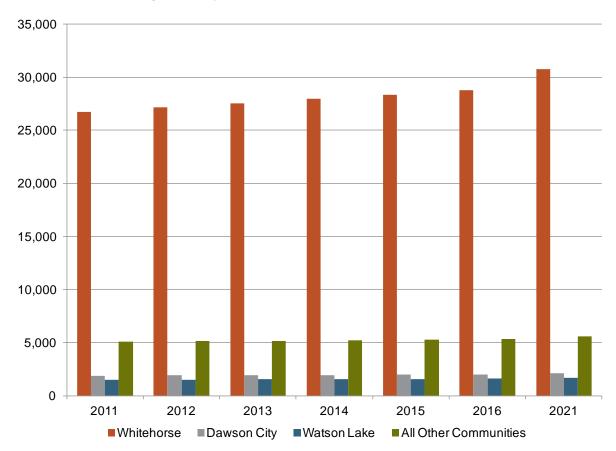
Population growth in communities inland of Haines has the potential to drive demand for transportation services through the Port of Haines. In order to gauge the growth in regional demand, the study team looked at population forecasts for Yukon and its largest cities. Relevant population forecasts are summarized in Table 10 and Figure 22.

Table 10. Population Forecasts, Yukon (2011-2016 and 2021)

Area	2011	2012	2013	2014	2015	2016	2021	Change (%) 2011-2021
Yukon	35,175	35,691	36,204	36,716	37,225	37,729	40,130	14.1
Whitehorse	26,711	27,125	27,536	27,947	28,357	28,764	30,721	15.0
Dawson City	1,880	1,908	1,936	1,963	1,990	2,016	2,133	13.5
Watson Lake	1,514	1,531	1,548	1,565	1,582	1,598	1,675	10.6
All Other Communities	5,068	5,127	5,182	5,241	5,297	5,352	5,600	10.5

Source: Yukon Bureau of Statistics 2012

Figure 22. Population Forecasts, Yukon (2011–2016 and 2021)



Source: Yukon Bureau of Statistics 2012

The study team believes that Haines could see increases in cargo volumes to Yukon destinations stemming from future population growth. This conclusion supports the suggestion heard during interviews that Haines concentrate on becoming a general cargo port for the region rather than focusing on mining development (Brown, et al 2012). However, in order to capture this market, the port would need to establish a role for itself as a preferred transshipment point. Goods such as fuel are currently moved to many Hinterland destinations at a lower cost via road from Edmonton or Fort Nelson (Gray 2012).

Figure 23 illustrates the study team's estimates for delivered fuel costs at various mining locations; lower prices are yielded by trucking from inland supply points. The fuel costs shown for Haines and Skagway are estimated using fuel prices in Seattle, the additional costs of barging (including wharfage), tank farm operating costs, and trucking to final destinations. In contrast, the inland locations' fuel costs are estimated using only local prices and the additional trucking costs associated with transportation to mines.

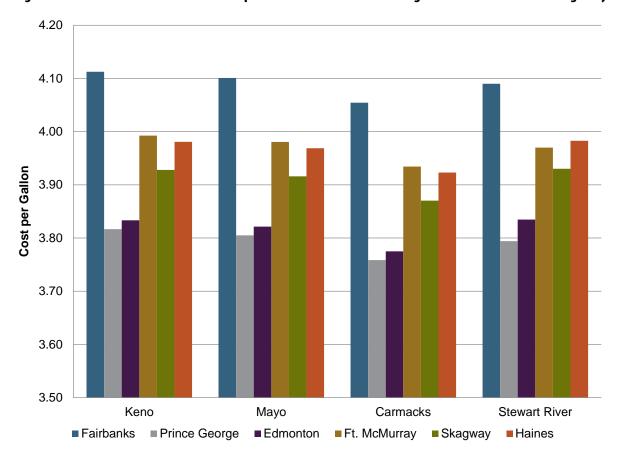


Figure 23. Utra Low Sulfer Distillate Transportation Costs to Select Mining Locations via the Alaska Highway

Note: Seattle price based on ULSD #2; ULSD #1 prices used for Canadian origins as information for ULSD #2 was unavailable. Analysis assumes truck operating cost of \$4.08 per mile and barge transportation costs of \$0.20 per mile based on industry interviews.

Source: OPIS 2012; Petro-Canada 2012; Freight Calculator 2012

# 4.3 Mining Industry

2011 proved to be one of the most successful years for Yukon mining as a record 114,587 new claims were staked, 38 percent more than the high of 83,161 recorded in the previous year (Government of Yukon 2012). According to the 2012 Yukon Economic Outlook, there were over 100 mining companies doing exploration work in Yukon in 2011, and more than 50 of these companies are estimated to have spent in excess of \$1 million each on exploration-related work (Government of Yukon 2012).

With three producing mines and a number of other projects advancing towards development decisions, the future of Yukon's mining sector looks promising. Currently, six projects have gone

through permitting or are in the process of obtaining the appropriate permits. Another 10 projects are doing advanced exploration or completing feasibility-related work. A few of the project proponents have noted development timelines that could see development and production within five years. The value of mineral production is estimated at \$600 million in 2012, up from \$402 million in 2011. Growth in 2012 is expected to stem primarily from a significant increase in production from the Wolverine mine, which declared commercial production in March 2012 (Government of Yukon 2012).

Table 11 summarizes information about each of the Yukon mines near Haines. The projects on this list came from a mining policy analyst in the Government of Yukon (Stephens 2012). Several of the potential projects listed are still in the pre-feasibility or exploration stage, so the projected timelines, reserves, and ore/concentrate volumes are considered estimates and will likely change as development progresses.

**Table 11. Yukon Prospective Mining Development Summary** 

Characteristic Type	Atac Resources	Copper North	Kaminak Resources	Prophecy Platinum	Selwyn Resources	Victoria Gold	Western Copper & Gold	Constantine Metal Resources
Property	Rackla- Osiris	Carmacks Property	Coffee Gold Project	Wellgreen Property	Selwyn District	Dublin Gulch	Casino Property	Palmer VMS Project
Approximate Location	Keno City, Yukon	Carmacks, Yukon	Stewart Lake	Burwash Landing	North of Watson Lake	Mayo, Yukon	Carmacks, Yukon	Haines, AK
Type of Resource	Gold	Copper	Gold	Platinum Group Metals	Lead, Zinc	Gold	Gold, Copper, Silver, Molybenum	Silver, Copper, Zinc, Lead
Indicated Mineral Reserve (000' of tonnes/yr)	N/A	*3.200	None	14,000	180,690	91,600	*90,970	N/A
Anticipated Ore Throughput Volume (tonnes/day)	N/A	5,000	TBD	32,000	20,000	29,500	25,000	TBD
Expected Mine Life (Years)	N/A	6	TBD	37	TBD	10	23	TBD
Current Status	Pending Sale	Permitted for Construction	Exploration	Exploration for Expansion	Permitting	2nd Screening	Pre-feasibility	Exploration
Road Infrastructure	Unknown	Unpaved Exploration Road	Unpaved Exploration Road	Seasonal Gravel Road	TBD	Paved All- Weather Roads	Paved All- Weather Roads	Paved All- Weather Roads
Timeline (Full Production est.)	N/A	TBD	TBD	2019	2015	2015	2020	TBD
Available Feasibility Study?	No	Yes	No	No	No	Yes	Yes	No
Est. Distance to Haines (mi)	479	338	No Direct Route	250	No Direct Route	380	338	33

Source: Publicly available materials from individual company websites and publications. Please refer to references for a comprehensive list.

Note: \*Proven

In an effort to ground truth the material shown in Table 11, and gather insight as to how these mining developments will decide on a preferred port for ore exports, the study team interviewed representatives from Prophecy Platinum, Selwyn Resources, Copper North Mining, Atac Resources, and Western Copper and Gold. In these interviews, the team learned the following:

- Many mining companies who will likely use Skagway as an export port first considered Haines. Most of these companies ended up building access roads that connect to the Klondike Highway, making Skagway the closest—and thus preferred—port of export. Hauling is the key economic variable for most decision-making between Haines and Skagway.
- The cost of moving ore plays a large part in deciding which port of call is the best fit.
- Moving additional cargo through a port that already sees industrial use by mining companies is viewed as less likely to receive public scrutiny.
- Mining companies are risk averse. The more information that is available regarding potential permitting issues, the better.
- Haines does not have a handling facility designed specifically for ore; this could be a liability for a company that decides to move non-containerized concentrates through Haines.
- Haines's port is outside of the community's view, which may limit frustration with high industrial usage. However, access to the port requires industrial traffic to travel through downtown, which may be disliked by residents.
- Atac Resources intends to sell the Rackla-Osiris property to a new developer in the near future. Reasons for the sale were not given.
- Prophecy Platinum is interested in using the Port of Haines as its export facility. They are still
  in the exploration phase and plan to release a feasibility study in the first quarter of 2013,
  which will indicate their likely preference for the port facilities they intend to use for
  exporting ore concentrate.
- Selwyn Resources, while not intending to use Haines as an export facility, did express the
  possibility of using Haines as an import facility for moving materials required for construction
  or extraction in the Selwyn District.

In addition to outbound freight, the study team considered potential volumes of incoming materials destined for Yukon mine sites. Mining developments require incredible amounts of energy: "Energy costs are estimated to represent more than 15 percent of the total cost of production in the mining industry in the US" (McIvor 2010). Table 12 summarizes the energy sources expected to be used at each of the mine sites reviewed in this analysis.

Table 12. Anticipated Energy Sources for Yukon Mining Projects

Local Electric Utility	Not Yet Determined	Diesel trucked from Edmonton	LNG trucked from British Columbia
Copper North	Kaminak Resources	Selwyn Resources	Western Copper & Gold
	Victoria Gold		Prophecy Platinum*
	Constantine Metal Resources		
	Atac Resources		

\*May truck diesel

Source: Individual Mining Company Documents and Interviews, 2012

As noted in Table 12, Copper North and Prophecy Platinum plan to obtain their electrical energy from local utilities. Currently Yukon Energy Corporation and Yukon Electrical Company provide power to the southwest region of Yukon. Yukon Electrical operates 25 kV lines and, given that certain requirements are met, offers financial assistance for transmission line construction to potential customers (Sharma 2012). Yukon Energy does not offer any kind of capital recovery programs to potential users, but does seek opportunities where shared costs and/or grant funding may be available (Campbell 2012).

Several ongoing projects are intended to increase the availability of power to existing and potential mines in Yukon. The West Creek Hydro project could potentially provide an intertie between West Creek, AK and Whitehorse, YT. The project would provide onshore power to seasonal cruise vessels in the summer months and any excess energy in the winter months could be available to the Upper Lynn Canal and/or Yukon. Another project that is currently being evaluated is the development of Eagle Plains oil and gas resources located near the Dempster Highway, between Dawson City and Inuvik. The Eagle Plains region is expected to contain six trillion cubic feet of natural gas and more than 400 million barrels of oil (CBC 2011). Energy sector professionals believe that a natural gas pipeline could be constructed from Eagle Plains to a central Yukon location for conversion to LNG. Haines would then be the likely location to ship the LNG to export markets due to available space in the vicinity of the Lutak Dock. In addition, the Lutak Dock does not have the issues as does Skagway with potential LNG terminals in proximity to cruise ships and residences. Along the pipeline would be spurs to area mines, providing access to natural gas, an affordable and more sustainable form of energy than other liquid fuels such as diesel.

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# Department of Commerce, Community, and Economic Development

ALCOHOLIC BEVERAGE CONTROL BOARD

5848 E. Tudor Road Anchorage, Alaska 99507 Main: 907.269.0350 Chris Lambert: 907.269.0359

> TDD: 907.465.5437 Fax: 907.272.9412

December 21, 2012

# **Renewal Application Notice**

City of Haines Attn: City Clerk

VIA EMAIL: jcozzi@haines.ak.us

DBA	Lic Type	Lic #	Owner	Service Location
American Legion Post #12	Club	55	American Legion Lynn Canal Post #12	188 2nd Ave

We have received a renewal application for the above listed licenses within your jurisdiction. This is the notice as required under AS 04.11.520. Additional information concerning filing a "protest" by a local governing body under AS 04.11.480 is included in this letter.

A local governing body as defined under AS 04.21.080(11) may protest the approval of an application(s) pursuant to AS 04.11.480 by furnishing the board **and** the applicant with a clear and concise written statement of reasons in support of a protest within 60 days of receipt of this notice. If a protest is filed, the board will not approve the application unless it finds that the protest is "arbitrary, capricious and unreasonable". Instead, in accordance with AS 04.11.510(b), the board will notify the applicant that the application is denied for reasons stated in the protest. The applicant is entitled to an informal conference with either the director or the board and, if not satisfied by the informal conference, is entitled to a formal hearing in accordance with AS 44.62.330-44.62-630. IF THE APPLICANT REQUESTS A HEARING, THE LOCAL GOVERNING BODY MUST ASSIST IN OR UNDERTAKE THE DEFENSE OF ITS PROTEST.

Under AS 04.11.420(a), the board may not issue a license or permit for premises in a municipality where a zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages, unless a variance of the regulation or ordinance has been approved. Under AS 04.11.420(b) municipalities must inform the board of zoning regulations or ordinances which prohibit the sale or consumption of alcoholic beverages. If a municipal zoning regulation or ordinance prohibits the sale or consumption of alcoholic beverages at the proposed premises and no variance of the regulation or ordinance has been approved, please notify us and provide a certified copy of the regulation or ordinance if you have not previously done so.

Protest under AS 04.11.480 and the prohibition of sale or consumption of alcoholic beverages as required by zoning regulation or ordinance under AS 04.11.420(a) are two separate and distinct subjects. Please bear that in mind in responding to this notice.

AS 04.21.010(d), if applicable, requires the municipality to provide written notice to the appropriate community council(s).

If you wish to protest the application referenced above, please do so in the prescribed manner and within the prescribed time. Please show proof of service upon the applicant. For additional information please refer to 13 AAC 104.145, Local Governing Body Protest.

**Note:** Applications applied for under AS 04.11.400(g), 13 AAC 104.335(a)(3), AS 04.11.090(e), and 13 AAC 104.660(e) must be approved by the governing body.

Sincerely,

SHIRLEY A. COTÉ Director

/s/Christine C. Lambert
Christine C. Lambert
Licensing & Records Supervisor
Christine.lambert@alaska.gov

# Haines Borough Assembly Agenda Bill

Agenda Bill No.: 13-211
Assembly Meeting Date: 1/8/13

Business Item Description Subject:  STIP Amendment 4 Comments Originator: Borough Manager (Agenda Bill by Coriginating Department: Administration Date Submitted: 12/31/12		comment period deadlir manager's comments	mail to assembly regarding ne and her support for the report of the proposed STIP
Full Title/Motion:			
Discussion may lead to the assemble Amendment #4.  Administrative Recomme		s for submission to the A	ADOT&PF regarding the STIP
Fiscal Impact:			
Expenditure Required	Amount E	Rudgotod	Appropriation Required
		buugeteu	
\$	\$		\$
Comprehensive Plan Con Comp Plan Policy Nos.:	sistency Review	Consistent: □Yes	□No
Summary Statement:			
The ADOT is accepting public commayor was unsuccessful in her effort to prepare comments during this Jacomment record. The manager thou changes are either positive or have concerned about the Haines Highw provided verbal assurance that the made available. The convincing continuous the design program fund	rts to get an extension n.8 meeting that would roughly reviewed the properties on adverse impact on ay Reconstruction project is very much parment for him was ADO	to the deadline. However, a still be considered althoroposed Amendment, are the Haines projects. Init ect dropping out of the Sart of their plans and will OT moving forward with	er, the assembly may still choose bugh not a part of the official and for the most part, the proposed ially, the manager was very STIP; however, the ADOT has proceed as soon as funds can be the complete project design,
Deferrel			
Referral:		Data	
Sent to:	Dofor to:	Date:	ecting Date.
Recommendation:	Refer to:	IME	eeting Date:
Assembly Action:			
Workshop Date(s):		Public Hearing Date	(s):
Meeting Date(s): 1/8/13		Tabled to Date:	

From: Stephanie Scott

Sent: Wednesday, January 02, 2013 10:17 AM

To: DG\_Assembly

Cc: Mark Earnest; Julie Cozzi

Subject: Fwd: STIP Amendment 4, Public Comment Period

Dear Members of the Assembly,

I have been very concerned about delivering a comment on behalf of the community to DOT/PF regarding the changes to STIP proposed by this 4th amendment, especially the amounts of money directed to the Juneau Access Project. I believe I have emailed you previously with these concerns.

As you can see from the email below, I have been unsuccessful in achieving an extension of the deadline or some special consideration for our particular calendar. If we do not submit a comment on or before Jan. 7, the comment will not be a part of the official record, though it will be "considered."

I know that the manager has studied the amendment thoroughly and is preparing a comment and plans to submit it on or before the 7, but it can only be the Manager's comment, not the Assembly's comment. Given this decision by the State, I will ask the Clerk to include STIP 4 amendment comment on the Jan. 8 agenda. We will have the Manager's comment before us as an "idea" for Assembly comment, which we can either endorse as is, and re-send under the Mayor's signature on behalf of the Assembly, or make a few changes and send.

I appreciate the work the Manager has done on this topic. He is fully informed on how the proposed changes effect the work scheduled for Haines. His comment will help us get our own thoughts in order.

S

Stephanie Scott Mayor, Haines Borough 907-766-2231 ext.30

Begin forwarded message:

From: "Benson, Stephanie V (DOT)" <stephanie.benson@alaska.gov>

**Date:** January 2, 2013, 9:40:47 AM AKST

To: "Stephanie Scott" < sscott@haines.ak.us>

**Subject: STIP Amendment 4, Public Comment Period** 

Ms. Scott,

I appreciate your concern regarding submitting comments to Amendment 4 of the 2012-2015 STIP and I want to assure you that comments received, even beyond the deadline, will be considered so long as they arrive before we make final adjustments. The timeline you indicate for submitting comments in your previous email will be adequate to assure their consideration.

However, we will not be extending the deadline for the public comment period, ending January 7 at 5pm. The comment period, normally 30 days in length, was set for this amendment at 34 days to allow a bit of extra time due to the holidays. I have received no other requests for an extension and while I understand your situation, it is important for this amendment to proceed on schedule. This amendment addresses changes wrought by the new federal legislation, MAP-21, as well as the move from one fiscal year to the next. We are into the second quarter of FFY13 and many projects throughout the state must be processed under this amendment in order to keep them on track.

If you would like official comments from Haines Borough to be a part of the official record, I would suggest that you consider other means to submit them; perhaps individual letters from yourself or council members could be drafted and submitted before the deadline.

Community input is vital to the STIP amendment process and I appreciate your participation. If you have any further concerns or questions, please address them to Jeff Ottesen, Program Development Director at jeff.ottesen@alaska.gov.

Regards,

Stephanie Benson STIP Manager



# Haines Borough Administration Mark Earnest, Borough Manager (907)766-2231 • Fax(907)766-2716 mearnest@haines.ak.us

January 8, 2013

Subject: STIP Amendment #4

The Alaska Department of Transportation and Public Facilities (ADOT&PF) is proposing several changes for transportation projects that are of importance to Haines in the Statewide Transportation Improvement Plan (STIP). The STIP is the state's four-year program for transportation system preservation and development. It includes various transportation system improvements that are expected to take place during the four-year duration of the STIP for which federal funding is involved, but it does not include airports or non-ferry-related ports and harbors. Major categories in the STIP include the following: interstate, state and local highways, bridges, ferries and public transportation. The STIP must meet the requirements of Title 23 United States Code, Title 23 Code of Federal Regulations, and Title 17 of the Alaska Administrative Code. It must be fiscally constrained based upon reasonably expected funding.

Changes to the STIP that involve a significant increase or decrease in funding amount, a major change in fund scheduling, when adding or removing a project from the STIP, when adding a phase to a project, or when making major changes to the description and/or title of a project require a formal amendment. Such amendments must follow procedures established in state and federal law, including a public notice and comment period, and they are not complete until they are approved by Federal Highway Administration (FHWA) and Federal Transit Administration (FTA). The notice describes the amendment and the effect of the amendment on the STIP, solicits comments, and provides for a comment period of 30 days following publication of the notice.

The ADOT&PF is accepting public comment on proposed Amendment #4 to the 2013-2015 STIP until 5:00 pm on Monday, January 7, 2013. This amendment addresses project scope, funding and scheduling changes from the adopted 2012-2015 STIP, through Amendment #3. Also, since October 1, 2012 marked the beginning of Federal Fiscal Year (FFY) 2013, the STIP will no longer include FFY12. This amendment also includes changes to fund codes and funding scenarios presented in Moving Ahead for Progress in the 21st Century Act (MAP-21). Interested parties may submit comments via the internet at <a href="www.dot.alaska.gov/stip">www.dot.alaska.gov/stip</a> or to the appropriate regional planners.

Haines projects in the approved STIP include the following:

- Haines Ferry Terminal Modifications
- Haines Highway Reconstruction
- Klehini Bridge Replacement and Transfer
- Old Haines Highway Sidewalk 3rd to Allen

Attached to this memorandum are copies of the above projects for both the Adopted FFY 2012-2015 STIP and the proposed Amendment #4 to the 2013-2015 STIP. Also attached is a spreadsheet that summarizes the proposed changes, if any, to the above projects. The significant changes are also summarized as follows:

For the **Ferry Terminal Modifications** project, the construction schedule is changed from FFY 2012 to FFY 2013. This is an expected change and has no adverse impact.

The **Haines Highway Reconstruction** is represented by three unique STIP project components as follows: (a) MP 3.5-25.3 design; (b) MP 21-25.3 construction; and (c) MP 14-21 construction.

- (a) Amendment #4 proposes full funding for entire project design from MP 3.5 to MP 25.3. Design funding has been increased by \$5.2 million, from \$6.8 million to \$12.0 million for FFY 2013 through FFY 2015, including state funds in the amount of \$1.0 million for advanced (accelerated) design.
- (b) Amendment #4 proposes full funding for entire project construction from MP 21 to MP 25.3 in FFY 2013. Construction funding has been increased by \$2.5 million, from \$33,450,030 to \$35,950,058 million; the increase is 100% state funds for bringing the Chilkat Bridge up to heavy industrial standard.
- (c) Amendment #4 proposes moving the MP 14-21 construction to another (as of yet) undetermined project number designation and delaying the project beyond FFY 2015. The adopted 2012-2015 STIP provides for \$17,000,000 for FFY 2015 and \$76,882,000 in the years beyond FFY 2015 for construction. The ADOT&PF has stated that this project component will be assigned a new project designation when funds are available for this work. (It should be noted that the MP 14-21 component was added in Amendment #3, which was approved on August 21, 2012, with projected funding levels to the State of Alaska under the old SAFETEA-LU reauthorization, which has been replaced by MAP-21.)

For the **Klehini Bridge Replacement and Transfer** project, the construction schedule is changed from FFY 2012 to FFY 2013. This is an expected change and has no adverse impact, provided that the ADOT&PF can certify that existing bridge can pass inspection. Failing that, the Borough should strongly encourage the ADOT&PF to accelerate the bridge replacement schedule.

For the **Old Haines Highway Sidewalk - 3rd to Allen** project, there is no change. This project is funded through the Safe Routes to Schools program.

All of the above projects address significant public safety concerns. For the most part, the proposed changes are either positive or have no adverse impact on the projects for Haines. Initially, I was very concerned about the Haines Highway Reconstruction MP 14-21 construction project dropping out of the STIP; however, the ADOT&PF has provided verbal assurance that the project is very much part of the Department's plans and will proceed as soon as program funds can be made available. The convincing comment for me was the ADOT&PF moving forward with the complete project design, increasing the design program funding by \$5.2 million, and adding \$1.0 million in other state funds.

# STATEWIDE TRANSPORTATION IMPROVEMETN PLAN (STIP) Amendment 4 to the 2013-2015 STIP

STIP w/ Amendment #3 (Approved)			Amendment #4 (Draft)		Proposed Change/Notes	
HNS Ferry Terminal Modifications:	FFY 12	\$12,200,000 C	FFY 13	\$11.000.000 C	Schedule change: Construction FFY12 to FFY 13	
HNS Highway Reconstruction:				<del>+//</del>		
MP 21-25.3	FFY 13	\$33,450,030 C	FFY 13	\$35,950,058 C	Add: \$2.5 M in OSF for Chilkat Bridge industrial standard	
MP 3.5-25.3	FFY 12	\$700,000 D				
	FFY 13	· ·	FFY 13	\$4,850,160 D	Add: \$1.0 M in OSF for advanced project design	
			FFY 14	\$3,149,840 D		
			FFY 15	\$4,000,000 D		
				\$12,000,000	Increase: \$5.2 M for complete project design	
MP 14 - 21	FFY 15	\$17,000,000 C		\$0	No longer identified in STIP*	
	FFY 15+	\$76,882,000 C		\$0	No longer identified in STIP*	
Klehini Bridge Replacement & Transfer:	FFY 13	\$8,565,000 D&C	FFY 13	\$200,000 D		
			FFY 14	\$8,365,000 C	Schedule change: Construction FFY12 to FFY 13	
Old HNS HWY Sidewalk - 3rd to Allen:	FFY 12	\$75,000 D				
	FFY 13	\$625,000 C		\$625,000 C	No change - SRTS	
Alaska Class Ferry:	FFY 12	\$120,000,000 A		\$0	No longer identified in STIP**	

D - Design

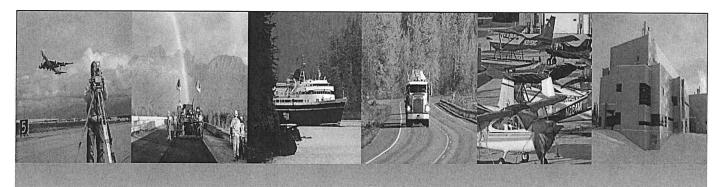
C - Construction

A - All phases

### **OSF - Other State Funds**

<sup>\*</sup>The ADOT&PF has proposed a new project number for the MP 14-21 and other future project construction phases. The Department has programmed the complete design for the remaining sections of the Haines Highway reconstruction project over the next three fiscal years, including \$1.0 million in other state funding for advanced (accelerated) design. The project design funds have been increased from \$6.8 million to \$12.0 million. Future construction phases will be assigned a new project number when they are programmed in future STIP amendments.

<sup>\*\*</sup>The ferry replacement project is not included in STIP Amendment #4. The project may be included in a future STIP amendment when the project is defined.



# **State of Alaska**

**Department of Transportation & Public Facilities** 

# 2012-2015

# **Statewide Transportation Improvement Program (STIP)**

Amendment 3 Incorporated Approved August 20, 2012





"Get Alaska Moving through service and infrastructure."

Need ID: 25976 Region: Marine Highways

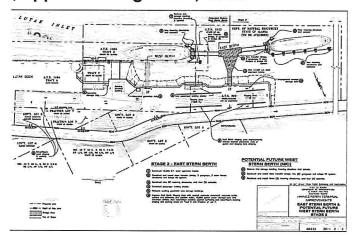
Place Name: Haines

Highway: Marine Highway

Title: Haines Ferry Terminal Modifications

### **Project Description:**

Replace sheet plies with a rip-rap slope and install new mooring dolphins and fender system. Dredge existing berth and expand staging area, including relocation of generator and storage building and utility work as needed.



PHASE	FUNDING	FFY12	FFY13	FFY14	FFY15	After FFY15
Design	NHS	181,940	0	0	0	2 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 -
Design	SM	18,060	0	0	0	
Right of Way	NHS	909,700	0	0	0	
Right of Way	SM	90,300	0	0	0	
Construction	NHS	9,097,000	0	0	0	
Construction	SM	903,000	0	0	0	
Utilities	NHS	909,700	0	0	0	
Utilities	SM	90,300	0	0	0	
	Totals:	12,200,000	0	0	0	0

Program Type: NHS

Primary Work: Ferry Boats

Secondary Work: Ferry Boats

Sponsor:

Average AADT:

**Pavement Rating:** 

**Predominant Functional Class:** 

Election District: 91

PEB Score:

Criteria:

N/A

Borough/Census Area:

Haines Borough

Municipal Planning Organization (MPO):





Need ID: 2152 Region: Southeast

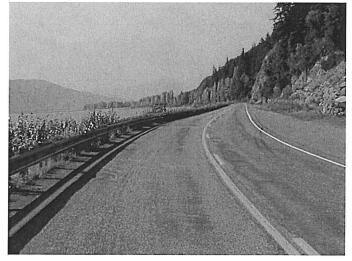
Place Name: Haines

Highway: Haines Highway

Title: Haines Highway Reconstruction, MP 3.5-25.3

## **Project Description:**

Widen to a paved width of 36 feet and improve the roadside environment between the airport and the previous upgrade (MP 25.3). Replace the Chilkat River Bridge (#0742). Straighten curves to meet a 55 mph design speed, including the bridge approach at Wells. Provide a long-term solution to debris flow problems near MP 19 and 23. Enhancements are planned along the Chilkat River and at the Mount Ripinsky trailhead.



PHASE	FUNDING	FFY12	FFY13	FFY14	FFY15	After FFY15
Design	NHS	636,790	4,366,560	0	0	
Design	SM	63,210	433,440	0	0	
Right of Way	NHS	0	1,819,400	0	0	
Right of Way	SM	0	180,600	0	0	
	Totals:	700,000	6,800,000	0	0	0

**Program Type:** NHS

**Primary Work:** Reconstruction

**Predominant Functional Class:** 

Secondary Work:

Sponsor:

DOT&PF

Marginal

Average AADT:

Pavement Rating:

**Election District:** 

PEB Score:

Criteria:

N/A

Borough/Census Area:

Haines Borough

Rural Other Principal Arterial Municipal Planning Organization (MPO):

5





Need ID: 26330 Region: Southeast

Place Name: Haines

Highway: Haines Highway

Title: Haines Highway Reconstruction MP 3.5-21

### **Project Description:**

Widen the highway to a paved width of 36' and improve the roadside environment. Improve drainage, straighten selected curves to a 55 mph design speed where able and other improvements, including addressing the mudslide area at MP 19.



PHASE	FUNDING	FFY12	FFY13	FFY14	FFY15	After FFY15
Construction	ILLU	0	0	0	15,191,990	
Construction	SM	0	0	0	1,508,010	
Utilities	ILLU	0	0	0	909,700	
Utilities	SM	0	0	0	90,300	
	Totals:	0	0	0	17,700,000	76,882,000

**Program Type:** 

NHS

**Primary Work:** 

Reconstruction

Secondary Work:

Sponsor:

Average AADT:

**Pavement Rating:** 

**Predominant Functional Class:** 

**Election District:** 

PEB Score:

Criteria:

91

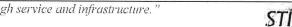
N/A

Borough/Census Area:

Haines Borough

Municipal Planning Organization (MPO):





Need ID: 22279 Region: Southeast

Place Name: Haines

Highway: Haines Highway

**Title:** Haines Highway Reconstruction & Chilkat Bridge Replacement MP 21-25.3

## **Project Description:**

Replace bridge #742. Possible realignment of road on either side. Widen road to 36'. Straighten curves to meet a 55 mph design speed. Provide a long-term solution to debris flow problems near MP 23 (same issue at MP 19). Enhancements planned along the Chilkat River.



PHASE	FUNDING	FFY12	FFY13	FFY14	FFY15	After FFY15
Construction	BR	0	10,188,640	0	0	
Construction	NHS	0	19,649,520	0	. 0	
Construction	SM	0	2,961,870	0	0	
Utilities	NHS	0	591,305	0	0	
Utilities	SM	0	58,695	0	0	
	Totals:	0	33,450,030	0	0	0

**Program Type: Primary Work:** 

NHS

Bridge Replacement

Secondary Work: Gasline

**Predominant Functional Class:** 

Sponsor:

SOA DOT&PF SER

Average AADT:

**Pavement Rating:** 

Haines Borough

Rural Other Principal Arterial Municipal Planning Organization (MPO):

Criteria:

non-MPO

**Election District:** 

Borough/Census Area:

PEB Score:

N/A





Need ID:

22136

Region: Southeast

Place Name: Haines

Highway:

Title: Klehini Bridge Replacement and Transfer

# **Project Description:**

Replace bridge, and modify/upgrade approaches. Bridge will be transferred to local government upon completion. Bridge # 1216.



PHASE	FUNDING	FFY12	FFY13	FFY14	FFY15	After FFY15
Design	BR	0	181,940	0	0	
Design	SM	0	18,060	0	0	
Right of Way	BR	0	45,485	0	0	
Right of Way	SM	0	4,515	0	0	
Construction	BR	0	7,550,510	0	0	
Construction	SM	0	739,490	0	0	
Utilities	BR	0	22,742	0	0	
Utilities	SM	0	2,258	0	0	
	Totals:	0	8,565,000	0	0	0

**Program Type:** 

CTP

**Primary Work:** 

Bridge Replacement

Secondary Work:

Sponsor:

DOT&PF SER

**Election District:** 

PEB Score:

Criteria:

5

N/A

Urban and Rural

Average AADT: **Pavement Rating:** 

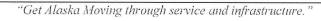
Borough/Census Area:

Haines Borough

**Predominant Functional Class:** 

Urban Other Principal Arterial Municipal Planning Organization (MPO):







Need ID: 27029

Region: Southeast

Place Name: Haines

Highway: Haines Highway

Title: Haines: Old Haines Highway Sidewalk - 3rd Ave to

Allen Rd.

# **Project Description:**

Construct approximately 1700' curb, gutter, and 5' wide sidewalk on north (school) side of Old Haines Highway (CDS Route #298020) from Third Avenue to Allen Rd. Create commercial driveway at the school entrance/exit to driveway standards.



PHASE	FUNDING	FFY12	FFY13	FFY14	FFY15	After FFY15
Design	SRTS	75,000	0	0	0	
Right of Way	SRTS	0	10,000	0	0	
Construction	SRTS	0	575,000	0	0	
Utilities	SRTS	0	40,000	0	0	
	Totals:	75,000	625,000	0	0	0

**Program Type:** 

CTP

**Primary Work:** 

Secondary Work:

Sponsor:

Average AADT:

**Pavement Rating:** 

**Predominant Functional Class:** 

**Election District:** 

PEB Score:

Criteria:

91

N/A

Borough/Census Area:

Haines Borough

Rural Major Collector Municipal Planning Organization (MPO):





# 2013-2015 STIP

Proposed STIP projects for Amendment 4

Amendment 4 of the 2013-2015 STIP is open for public comment from December 5, 2012 to January 7, 2013 5 PM Alaska time. In this document is the entire STIP sorted by region, then project ID number. Please contact the Alaska DOT&PF STIP office if you have any questions regarding the changes proposed in this amendment

# Southeast Region Projects

Listing of STIP projects located in Southeast Region sorted by place name.

Need ID: 2.	3055 Name	Need ID: 23055 Name: Repair or Replace Rink Creek Bridge	lace Rink Cre	ek Bridge			Ph F	pun	FFY13	FFY14	FFY15	Ph Fund FFY13 FFY14 FFY15 After 2015
Program Region	Region	n C	Place Name	Hiohway	Primary Work	Bridge	3 3PF	JF	452	0	0	
0	0	District				s#	3 STP	IP	4.548	0	0	
CTP	S	32	Gustavus		Bridge	2203	4 31	3PF	0	60.140	0	
					Replacement		2	6		0,000		
Dogowintion	Domovio	Dinly O.	The Dailden	2200	12.00		ֆ Ծ	SIF	n	003,500	0	
which will r	i. iveillove provide acc	existing Nink CI sess to the Falls (	cek Diluge, # `reek Hydroel	-2203 anu ref lectric Proiec	<b>Description.</b> Item over existing Alms Creek Diluge, #2203 and replace with adequate structure which will provide access to the Falls Creek Hydroelectric Project and must be designed to	structure	7 [3]	3PF	0	4,515	0	
accommoda	te heavy ve	ehicles. Project sp	pans the lengt	th of the brid	accommodate heavy vehicles. Project spans the length of the bridge plus tie in to the road only	road only	7 STP	I.P	0	45,485	0	
•			,			`	T	Totals:	5,000	5,000 716,000	0	0

Need ID: 26	5290 Nam	Need ID: 26290 Name: Ferry Terminal Improvements	l Improvemen	ıts			Ph 1	Pun <sup>5</sup>	Ph Fund FFY13 FFY14 FFY15	FFY14	FFY15
Program Region	Region	2012 Election	Place Name	Hiohway	Place Name Highway Primary Work Bridge #s	Bridge #c		PRL	4 HPRL 354,783	0	0
0	0	District		(m,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	The state of the s	o de la companya dela companya dela companya dela companya de la companya de la companya de la companya dela companya de la companya dela compan	4 SM	M	35,217	0	0
SHN	S	32	Gustavus		New		L	otals:	Totals: 390,000	0	0
					Construction			_			
Description	: Replace	existing transit fl	loat access gar	ngway with a	Description: Replace existing transit float access gangway with a new access gangway off the	vay off the					
top of the do	ock to elim	inate a ferry tern	ninal security	risk and pave	top of the dock to eliminate a ferry terminal security risk and pave causeway island to	0.					
accomodate	vehicle st	aging. Pave an ar	ea along the a	ccess road to	accomodate vehicle staging. Pave an area along the access road to accomodate passenger	nger					
parking.											

After 2015

Need ID: 2	152 Name:	Need ID: 2152 Name: Haines Highway Reconstruction, MP 3.5-25.3	y Reconstr	uction, MP 3.5	-25.3		Ph Fund	Ph Fund FFY13 FFY14 FFY15 After 20	FFY14	FFY15	After 20
Program Region	Region	2012 Election	Place	Highway	Primary Work	Bridge	2 NHPP	Bridge 2 NHPP 1,751,245 1,887,555 2,729,100	1,887,555	2,729,100	
90.0		District	Name	, memery	Timeri Horn	S#	2 OSF	2 OSF 1,000,000	0	0	
SHN	S	34	Haines	Haines	Reconstruction	0742	2 SM	173.835 187.365 270.900	187.365	270.900	
				Highway			3 NHPP		077 855	000 700	
Dogowintion	. Widon to	Dogowintions Widow to a marcel wildth of 36 feat and immers the med de	to to to JC Jo	of the constant of the		7-	י דודאד כ	CT2610161	211,000	707,100	

(#0742). Straighten curves to meet a 55 mph design speed, including the bridge approach at Wells. Provide a long-term solution to debris flow problems near MP 19 and 23. between the airport and the previous upgrade (MP 25.3). Replace the Chilkat River Bridge Enhancements are planned along the Chilkat River and at the Mount Ripinsky trailhead. **Description:** Widen to a paved width of 36 feet and improve the roadside environment

	Ph	Fund	Ph Fund FFY13	FFY14	FFY15	FFY15   After 2015
e	7	NHPP	2 NHPP 1,751,245 1,887,555 2,729,100	1,887,555	2,729,100	
	7	2 OSF	1,000,000	0	0	
	7	2 SM	173,835	187,365	270,900	
	n	NHPP	3 NHPP 1,751,245	977,855	909,700	
	3	3 SM	173,835	97,065	90,300	
		Fotals:	Totals:  4,850,160 3,149,840 4,000,000	3,149,840	4,000,000	0

Haines   Highway   Primary Work   Bridge #s   2 SM   18,060   0   0   0     Haines   Highway   Replacement MIP   Road			prin allorino and or of series and or of the series	Trobudou o	all alla Hallsler			ru runa	LIXII	FF X 14	CIXII	AITER 2015
Parity   Same issue at Maines   Haines Highway   Primary Work   Same issue at MP 19, Each of District   Name   Haines Highway   Haines Highway   Mork   Mo	Program	Region	2012 Election	Place	Highway	Primary Work	Bridge #s		18,060	0	0	
Professionary   Professionar		) (	District	Name					181,940	0	0	
Priori   Replace bridge, and modifylypgrade approaches. Bridge will be transferred to government upon completion. Bridge # 1216.    A STP   0   7,550,510   0   0     A STP   0   0   0     A STP   0   0   0   0     A STP   0   0     A STP   0   0     A STP   0   0   0     A STP   0   0	CIF	N.	34	Haines		Bridge	1216		0	4,515	0	
1	Josopintion	Donlage	Special Care Continual			Keplacement			0	45,485	0	
Part	ocal govern	i. Nepiace	n completion. Bri	doe # 1216	approacnes. 1	sridge will be transi	rerred to		0	739,490	0	
1   Name   Haines Highway Reconstruction & Chilkat Bridge Replacement MP   Region   District   Name   Haines Highway Sidewalk - 3rd Ave to Allen Rd.   S   34   Haines Highway Sidewalk - 3rd Ave to Allen Rd.   S   34   Haines Highway Sidewalk - 3rd Ave to Allen Rd.   S   34   Haines Highway Sidewalk - 3rd Ave to Allen Rd.   S   3rd Sidewalk - 3rd Ave to Allen Rd.   S   S   3rd Sidewalk - 3rd Ave to Allen Rd.   S   S   S   S   S   S   S   S   S	0	4							0	7,550,510	0	
Totals   Parity   P									0	2,258	0	
Totals:   2012 Election   Place   Highway   Reconstruction & Chilkat Bridge Replacement MP   Region   District   Name   Region   Region   District   Name   Region   Region   District   Name   Region   District   Name   Region   Region   District   Name   Region   District   Name   Region   District   Name   Region   District   Name   Highway   Replacement planned along the Chilkat   Totals:   35,50,005   North   Replacement planned along the Chilkat   Totals:   35,950,005   North   Region   District   Name   Highway   Rotals   Replacement planned along the Chilkat   Region   District   Name   Highway   Rotals   Region   Rotals   Rot									0	22,742	0	
Part								Totals:	200,000	8,365,000	0	
S   S   S   S   S   S   S   S   S   S	Veed ID: 2	2279 Nam	e: Haines Highw	ay Reconstr		lkat Bridge Replace	ment MP	Ph Fund	FFY13	FFY14	FFY15	After 2015
S   S   S   S   S   Haines   Highway   Primary Work   #s   Haines   Highway   Primary Work   #s   Haines   Highway   Primary Work   #s   Haines   Highway   Primary Work   Haines   Highway   Replacement   Product of the primary   Prima	1-25.3								14,919,094			
S   2012	Program	Region	2012 Election	Place	Highway	Primary Work	Bridge		0	-14,919,09		
15   S   34   Haines   Haines   Haines   Highway   Replacement   Prinary   Region   District   A   Maines   Haines   Highway (CDS Route #298020) from Third Avenue to Allen Rd.   Conmercial driveway at the school entrance/exit to drive way standards.   Replacement   Region   Righway (CDS Route #298020) from Third Avenue to Allen Rd.   Conmercial driveway at the school entrance/exit to driveway standards.   Replacement   Replacement   Region   Highway   Replacement   Region   Prinary	OTH.			a)			S#	NHPP	14,919,094	14,919,09		
Prince   P	NHS	Ω			lames	Bridge Renlacement	0742		2,500,000			
Totals   Construct approximately 1700' curb, gutter, and 5' wide sidewalk on north of the commercial driveway at the school entrance/exit to driveway are robbens and straigned along the Chilkat	)escription	. Renlace	hridge #742 Pos	cible realion	ment of road	on either side Wid	an mood to		2,961,870			
Totals:   35,950,058   0   0	6'. Straight	en curves	to meet a 55 mph	design spec	d. Provide a	long-term solution	to debris		591,305			
Totals:   35,950,058   0   0   0     District   Name   Haines   Haines   Haines   Haines   Haines   Haines   Old Haines Highway   CDS Route #298020) from Third Avenue to Allen Rd.   Totals:   625,000   0   0   0     Totals:   35,950,058   0   0   0   0   0     Totals:   35,950,058   0   0   0   0     Totals:   35,950,058   0   0   0   0     Totals:   625,000   0   0   0   0	low proble	ms near M	IP 23 (same issue	at MP 19).	Enhancement	s planned along the	Chilkat		58,695			
. idge #s   Ph Fund FFY13 FFY14 FFY15   2 SRTS   10,000   0   0   0   0   0   0   0   0	kiver.								35,950,058			
idge #s         Ph   Fund         FFY13         FFY14         FFY15           2   SRTS         10,000         0         0           4   SRTS         575,000         0         0           7   SRTS         40,000         0         0           h         Totals:         625,000         0         0												
ghway         Primary Work         Bridge #s         2 SRTS         10,000         0           ss         7 SRTS         575,000         0           vay         7 SRTS         40,000         0           sidewalk on north         Totals:         625,000         0           of riveway standards.         Allen Rd.         0         0	Veed ID: 2	7029 Nam	e: Haines: Old H	aines Highw	ay Sidewalk	- 3rd Ave to Allen	Rd.		_	-	FY15	After 2015
Work   The standards   Work   The standards   Work   The standards   Work   W	Program	Region	2012 Election		Highwa		Bridge #s		10,000	0	0	
7   SRTS   40,000   0	0	0	District	Name	9		200		575,000	0	0	
and 5' wide sidewalk on north  Comparison Third Avenue to Allen Rd. driveway standards.	CTP	<u>~</u>	34	Haines	Haines				40,000	0	0	
school) side of Old Haines Highway (CDS Route #298020) from Third Avenue to Allen Rd. reate commercial driveway at the school entrance/exit to driveway standards.	1,700			1007				Totals:		0	0	
	school) side	e of Old H nercial dri	ct approximately faines Highway (( veway at the scho	CDS Route and entrance.	gutter, and 5° #298020) fror 'exit to drive	wide sidewalk on n n Third Avenue to , way standards.	orth Allen Rd.					
	Tood In. 2	141 %			1.1.2.6.1	M. DIM. D. C.						

Program R		INCCULIDATION INTROPPER ADVINO RESERVATION AND IMPRIEST SYSTEM	tion and Mani	test System			Ph Fund	FFY13	FFY14	FFY15	After 2015
-	Region	2012 Election	Place Name	Highway	Primary	Bridge #s		1,455,520	0 0	0	
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CHA	IVI	99	Statewide	Marine Highway			Totals:	1,600,000	0 0	0	0
December 1		11 1									
Description: R	replace (	Description: Replace old, no longer-supported with up-to-date technology, computerized	ported with up	-to-date technol	ogy, computer	ized					
AMHS reserva	tions sy	AMHS reservations system with a new state-of-the-art, supportable reservations/manifest	tate-of-the-art,	supportable res	ervations/man	ifest					
system. Include	es soltw	system: includes software, nardware, and peripherals for AMHS HQ, reservations building,	peripherals to	or AMHS HQ, r	eservations bu	ilding,					
System should	an sunps be com	System should be compatible with industry systems and must also keen track of passenger.	the "wireless i	oridge" system a family also keer	aboard the terr	ies).					
vehicle, and cargo manifests.	rgo man	ifests.				,,,,					
Need ID: 2597	6 Name	Need ID: 25976 Name: Haines Ferry Terminal Modifications	rminal Modifi	cations			F A				After
Program B	Dogion	2012 Election	Place	History	Primary	:	Fn Fund	FFYIS	FFY14	FFY15	
	TOE STOIL	District	Name	півпуау	Work	Bridge #8	4 AC	10,006,700		0 0	
NHS	Σ	34	Haines M	rine hway	Ferry Boats		4 ACC	0	10,006,700	0	
Description: R	eplace s	Description: Replace sheet plies with a rip-rap slope and	ip-rap slope ar	nd install new m	install new mooring dolphins and	is and	4 NHPP	0	10,006,700	0 0	
tender system.	Dredge Iding gn	tender system. Dredge existing berth and expand staging area, including relocation of generator	expand stagin	g area, includin	g relocation of	generator	4 SM	993,300		0 0	
and storage but	Iuiiig aii	and storage durining and utility work as lieeded.	leeded.				Totals:	Totals: 11,000,000		0 0	0
Need ID: 26329	9 Name	Need ID: 26329 Name: Marine Highway Intelligent Tran	y Intelligent Tr	ansportation Sy	sportation Systems Implementation	entation	Ph Fund	FFY13	FFY14   F	FFY15	After 2015
r iaii							2 SM	0	903	903	
Program R	Region	2012 Election	Place Name	Highway	Primary	Bridge #s	2 STP	0	6,097	6,097	
REOD	Z	00	Chatamida		TTC		4 SM	13,545	9,256	9,256	
Description D	100 400	77	Statewide		51		4 STP	136,455	93,244	93,244	
(AKIA) where	advance	AKIA) where advanced technology can provide the greatest benefit to Multi-Modal	projects that ar provide the gre	e part of the Ala	aska Iways Arc Multi-Modal	hitecture	Totals:	150,000	112,500 1	112,500	0
Information Co. Enhancements	nnection	Information Connections, Internal Operations, Traveler Safety & Infrastructure, Security Enhancements and Traveler Information and Communication	tions, Traveler	Safety & Infras	tructure, Secur	ity					
Need ID: 26648	8 Name	Need ID: 26648 Name: AMHS FVF Propulsion System Replacement	pulsion Systen	1 Replacement			Ph Fund	FFV13	REV14 FEV15	1	After 2015
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Frogram   K	Kegion	2012 Election	Place Name	Highway	Primary	Bridge #s	4 NHPP	4,093,650	0 0	0	



From: Stephanie Scott

**Sent:** Sunday, December 23, 2012 3:15 PM

To: Julie Cozzi

Subject: Fwd: Landfill Electric Fence

Hi Julie,

Please include this as an FYI in the Assembly packets for Jan. 8. Thanks.

Stephanie

Stephanie Scott Mayor, Haines Borough 907-766-2231 ext.30

Begin forwarded message:

From: Pamela Randles < <u>pamrandles@icloud.com</u>> **Date:** December 23, 2012, 1:07:44 PM AKST

To: Burl Sheldon < burls58@yahoo.com >, Stephanie Scott < sscott@haines.ak.us >

**Subject: Landfill Electric Fence** 

### Landfill Electric Fence

This report is in accordance with the memorandum of understanding between Alaska Chilkoot Bear Foundation and Community Waste Solutions concerning the construction of an electric fence at the Haines Landfill for the purpose of preventing bears from entering the facility. Much of the following information comes from a BLM report authored by Tim Craig, and also from discussions with the landfill operators at Haines Junction. All the municipal landfills in the Yukon Territory utilize electric fences.

Site: The consensus at present is that the most efficient and practical solution would be to fence the perimeter of the approximately one acre work area surrounding the main building. This fence would start somewhere near the power pole on the entrance road, then follow the cleared area around the building, pass in front of the C&D storage area, cross the road that leads to the back forty, turn again toward the tree line and from there head back to the entrance road. Tim McDonough and I walked the perimeter and came up with a measured distance of 930' feet. We spoke with Mike about the advisability of adding a bump out in front of the building that would enclose the area where two conexes are currently stored and where trucks are parked. This would add approximately 200' feet of fencing but would greatly increase the practicality of the working area. The perimeter Tim and I measured was somewhat irregular. Some site work with bulldozer and loader could potentially simplify the footprint and make fence construction cheaper and easier.

Charger: A six stand fence that is 1200 feet in length would require 1.4 miles of wire with half of the strands being energized. This is well within the capacity of a fairly modest unit, especially since brown bears are adverse to shocks as low as .7 joules. However since this is an industrial site with a history of bear problems a larger unit is recommended, one that has an 8,000 volt capacity and can deliver a shock of 3.5 joules or better. The Haines Junction landfill uses a PARMAK Super Energizer model that retails for \$145. For about \$500 a more sophisticated unit can be purchased with an 8 joule potential, shorter pulse time, built in surge protection, etc. (Most of the prices in this report are from the Nasco 2012 Farm catalogue.) A 110 volt charger rather than solar is recommended. It should be cited inside the building and connected to the fence with buried wire. Standard 12/2 direct bury wire is not sufficiently insulated for the high voltage downstream from the charger; the charge will bleed off underground. However the proper wire is not expensive, a 50 foot coil costs \$11.50. Proper grounding of the system is absolutely essential, preferably three six foot rods buried in wet soil. A ground rod somewhere along the fence line is also a good idea and it may be advisable to include a cut-out switch near the entrance gate.

Fencing: In the original MOU we suggested using poly/stainless tape that could be taken down in winter. However BLM suggests metal wire tensioned to 200-250 lbs. This is what the Y.T. landfills use. Aluminum is slightly better

than steel because it will not rust and has greater conductivity. A 1,320 spool of 12.5 gauge aluminum retails for \$54. The fences are characteristically 6 or 8 strand, alternating hot and ground. In the Yukon the pattern begins with a negative wire at about 1-2" above grade (this seems low to me), then a positive at 8", negative at 14", positive at 20", negative at 28", positive at 36", negative at 44", and the topmost wire is a positive at 54". The hot lines are linked with jumper cables, as are the grounds. The same insulated wire as the buried supply line is used. Jumpers are required at any gate and might also be a good idea at corners. Any tensioned wire fence would be a permanent installation – removal for winter would not be practical. In Haines Junction the fence is turned on in April and off in November. The operators there said that they have never had a problem with moose trampling the wire in the winter. However, Haines has greater snowfall and wandering moose could pose a threat to a fence buried in snow.

Posts: Tensioning a six wire fence to 200 pounds creates a considerable load on the corner posts. In Haines Junction they use an L-shaped assembly at the corners with three posts the diameter of power poles, cross-braced and tensioned against the load. I could not discover the depth of embedment – the poles were installed by a fencing contractor about a dozen years ago – but I would guess a depth of about 3 feet. The corner posts carry the entire strain, the intermediate posts are half inch fiberglass wands, driven perhaps a foot and placed 16' o.c. T-posts would be stronger though they are conductors and are more expensive. At any gate opening a heavy braced pole or possibly two would be necessary.

Gates: The proposed Haines fence would require two gates, one at the main entrance and one across the road that gives employees access to the back 40. In the Yukon they use an electrified heavy duty cattle guard 8 feet wide built of 3.5" o.d. steel pipe that is insulated from the ground by timbers and by plastic fastened to the pipe. I have not yet found a cost estimate for such an installation but they are obviously a major expense. An alternative would be the zap-gapper an electrified mat that can be stretched across a road. I called the manufacturer and they told me that their mats are used in both mining and ranching sites and can withstand traffic, including non-track heavy equipment. Their longevity would not compare to a steel cattle guard, on the other hand they could be removed in winter (snow removal in the shoulder season could be an issue) and are probably a more practical choice. A 20' zap-gapper retails for \$2475 plus shipping.

Flagging: Electric fences are designed with a pulse rate that makes them painful but not harmful to humans (and bears) in almost all situations. However signs should be placed at various points along the fence line to alert the public that the fence is electrified.

Rough cost estimate:

Charger, \$150-500.

Fencing, 6 spools of 12.5 aluminum wire, \$322

Poles: Corner poles can be cut from telephone poles on site. 75 half inch 6' fiberglass poles, \$280

Clips for wire, \$161

Corner Post brackets, for mounting wire at corner posts, \$10 per pole for a six strand fence

Hook-up wire, 100 feet, \$23

Ground rod, 3, \$50

Zap-gapper mats, 2, \$4,950

This list covers most of the components though there will inevitably be add-ons, though not major ones, I believe. As I said above, these prices are from the 2012 Nasco catalogue. There are, of course, other fencing suppliers. Some of these components are available locally and submitting a complete list of components to one of the local building supply yards might reduce retail and shipping costs.

I will be glad to answer any questions to the best of my ability.

Tom McGuire Secretary, ACBF December 19, 2012